Summary of Proposed Substantive Changes to the Admissions and Continued Occupancy Policy

Effective January 1, 2024

In Chapter 6, 7 and 12 we will be reviewing to edit for January 1, 2025 the Final Rule Implementing Section 102 and 104 of HOTMA as outlined below:

Section 102: Income Review
Fewer Interim Reexaminations: HOTMA creates a 10% adjusted income increase/decrease threshold for conducting Interim Reexaminations, and in most cases requires that increases in earned income are not processed until the next Annual Reexamination, allowing families to keep more of their earnings before receiving a rent increase. The new requirements should lead to fewer Interim Reexaminations overall, alleviating burden for both participants and PHAs.

Streamlined Verifications: Several provisions will streamline the verification process for housing providers,
- Adults Only Need to Sign Consent Form Once: HOTMA revises the required consent form that all adult household members sign, allowing them to sign the form only once instead of annually.
- Use of Income Determinations from Other Programs: HOTMA allows PHAs to use income determinations made under other federal benefits programs for reexaminations.
- Review of EIV Not Required at Interim Reexamination: HOTMA eliminates the requirement for PHAs to use EIV to verify tenant employment and income information during an interim reexamination, significantly reducing administrative burden.

Increased Standard Deduction for Elderly/Disabled Households: HOTMA increases standard deductions for families with a head, co-head, or spouse who is elderly or a person with a disability.

Additional Income Exclusions: The rule codifies additional income and asset exclusions, including:
- Amounts received from Medicaid or other state/local programs meant to keep a family member with a disability living at home
- Veterans’ aide and attendant care
- Distributions of principal from non-revocable trusts, including Special Needs Trusts.

Threshold for Claiming Medical/Disability Expenses Increased: HOTMA increases the allowance for unreimbursed health and medical care expenses from 3% of annual income to 10%, phased-in over two years.

Higher Threshold for Imputing Asset Income: HOTMA raises the imputed asset threshold from $5,000 to $50,000, incentivizing families to build wealth without imputing income on those assets.

Hardship Relief: HOTMA provides hardship relief for expense deductions, lessening the impact of the increased threshold for medical expenses. HOTMA permits PHAs to grant hardship relief to families unable to pay rent because of unanticipated medical/disability expenses and families who are no longer eligible for the childcare expense deduction.

Section 104: Asset Limits
Asset Limitation: HOTMA imposes a $100,000 asset limit for eligibility and continued assistance. Families are also ineligible for assistance if they own real property suitable for occupancy. PHAs have the
option of delaying enforcement/termination for up to six months if the family is over the asset threshold at the time of annual reexamination.

Exclusion of Retirement and Educational Savings Accounts: Retirement accounts and educational savings accounts will not be considered a net family asset. This is a major benefit to families, incentivizing savings for important life milestones and opportunities. This will also provide significant administrative relief to PHAs by allowing them to stop verifying and calculating these assets altogether.

Self-Certification of Assets under $50,000: HOTMA allows self-certification of net assets if estimated to be at or below $50,000. This will be a time-savings for families and lower administrative burden for PHAs recertifying income.

Cross-Cutting
Adjustments for Inflation: Deductions and the asset limitation will be adjusted for inflation annually, ensuring that deductions do not lose value over time and that families are able to build more wealth without losing program assistance. The current deduction amounts have never been adjusted.

Reason: to adhere to HUD guideline on Final Rule Implementing Section 102 and 104 of HOTMA.

Glossary:

HANDICAPPED PERSON, [Referred to as a Person with a Disability].

42 U.S. Code § 3602 - Definitions
(h)“Handicap” means, with respect to a person—
(1) a physical or mental impairment which substantially limits one or more of such person’s major life activities,
(2) a record of having such an impairment, or
(3) being regarded

Reason: to update Handicapped Person definition to code

Chapter 4:

A. MANAGEMENT OF THE WAITING LIST

Involuntary Displacement by Government Action Preference:
Remove “If the owner of the property is an immediate family relative and there is no previous rental agreement, and the applicant has been part of the owner’s family immediately prior to application, the applicant will not be considered involuntarily displaced.”

Reason: to remove a duplicate sentence.

Rent Burden or Homeless or Substandard Preference:
For purposes of this preference, “Family Income” is Gross Monthly Income Adjusted Income as defined in the regulations,

Rent Burden: for families paying more than 30% of their adjusted income for rent and utilities,
commencing before they were selected from the waiting list and continuing through the verification of preference.

Reason: to allow expenses to be included in the calculation of Rent Burden to afford greater opportunity to receive points

B. WAITING LIST PREFERENCES

Summit County Continuum of Care (SCCoC) Coordinated Entry Preferences:

for applicants referred by SCCOC, Coordinated Entry, the individual or family must meet one of four eligibility criteria:

- Homeless as defined in 24 CFR 578.3;
- At risk of homelessness as defined in 24 CFR 578.3;
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking (as defined in Notice PIH 2021-15), or human trafficking (as defined in the 22 U.S.C. Section 7102); or
- Recently homeless and for whom providing rental assistance will prevent the family’s homelessness or having high risk of housing instability as determined by the CoC or its designee in accordance with the definition in Notice PIH 2021-15.

As applicable, the SCCoC must provide documentation to the PHA of the referring agency’s verification that the family meets one of the four eligible categories for assistance. The PHA must retain this documentation as part of the family’s file. (This preference will be capped at 30 participants per year across all programs).

Reason: to add a preference to assist local community with housing homeless families quicker.

C. ORDER OF SELECTION FOR GENERAL OCCUPANCY (FAMILY) DEVELOPMENTS, PINEWOOD GARDENS AND SPICER TERRACE, SITE BASED WAIT LISTS

Summit County Continuum of Care (SCCoC) Coordinated Entry Preference: 2 points

Reason: to add a preference to assist local community with housing homeless families quicker.

F. PREFERENCE DENIAL

The PHA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for an informal meeting. The applicant will have 10 (ten) business days to request the meeting in writing.

Reason: to match current practice
Chapter 8:

H. PROCESSING IN AND OUT OF DEVELOPMENTS

2. Be given 8 (eight) days to move and return the keys from the previous unit. In exceptional circumstances, a short extension may be granted at the sole discretion of the Deputy Director of Operations or his/her designee. After 8 (eight) days, unless permission is received from the Deputy Director or his/her designee a notice (Transfer Move Out Agreement) will be posted at the resident’s new unit giving the resident two additional days to contact the management office to claim any personal belongings and surrender keys.

Reason: to match current practice.

Losing Developments

Transfers to other developments will be processed in the same manner as move-outs. The name of the transferred resident and the name of the development s/he transferred to, with other required information, will be reported as a move-out on the Project Daily Report.

Gaining Developments

Transfers from other developments will be processed in the same manner as move-ins, including a new lease and applicable security deposit. The name of the transferred resident and the name of the development s/he transferred from, with other required information, will be reported as a move-in on the Project Daily Report.

Reason: to match current practice.

Chapter 9:

D. LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES [24 CFR 8.27(a)(1)(2) and (b)]

The PHA will require a non-disabled person to agree to move to an available non-accessible unit within 30 (thirty) days when either a current resident or an applicant needs the features of the unit and there is another unit available for the resident. This requirement will be a provision of the lease agreement.

Reason: to correct typo of applicant to resident.

F. SECURITY DEPOSITS

The resident must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition and must furnish a forwarding address to the PHA. All keys to the unit must be returned to the Management Office upon vacating the unit.

Reason: to match the intent to vacate paperwork.
G. **RENT PAYMENTS**

If the payment of rent and other charges due under the lease will be delayed beyond the eighth (8) day of the month, the resident must request a rent extension, from the Management office no later than the eighth day of the month.

The notification must include an explanation of the circumstances which will delay the resident’s payment. The Management staff may elect to extend the payment date no later than the fifteenth (15) day of the month. Management approval, in writing, will not be unreasonably withheld.

**Reason:** to match current practice.

L. **INSPECTIONS OF PUBLIC HOUSING UNITS**

**Vacate Inspections**

The PHA Management staff will perform a move-out inspection when the family vacates the unit, and will encourage the family to participate in the move-out inspection.

**Reason:** to match current practice.

**Emergency Inspections**

If no one is in the unit, the person(s) who enters the unit will leave a written notice and copy of the inspection to the resident explaining the reason the unit was entered and the date and time for the resident.

**Reason:** to match current practice.

**Chapter 11:**

B. **ANNUAL REEXAMINATION**

**Verification of Information**

All information which affects the family's continued eligibility for the program, and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for recertification must be less than 180 days old. All verifications will be placed in the file, which has been established for the family.

**Reason:** to match current practice based on waiver approval in the MTW supplement.

C. **REPORTING INTERIM CHANGES**
**Increases In Income and Rent Adjustments**

A resident is participating in the Jobs Plus Earned Income Disallowance (JPEID) and experiences an increase in earned income unless the increase would result in an increase in TTP.

**Reason:** to limit increases in rent between annuals for JPEID.

**G. REPORTING OF CHANGES IN FAMILY COMPOSITION**

All changes in family composition must be reported, in writing, within 10 (ten) calendar days of the occurrence by completing the “Change of Family Status Form” at the Development Manager’s office or online.

**Reason:** to match current practice.

**J. OVER-INCOME LIMIT**

If a family’s income has exceeded 120 percent of the area median income (AMI) for the most recent two (2) consecutive annual reviews, the PHA will: a 24-month consecutive period (the most recent three (3) consecutive annual reviews), the PHA will:

Terminate the family’s tenancy within 6 months of the second third income determination

Or

Charge the family a monthly rent equal to the greater of:

— The applicable Fair Market Rent (FMR), or

— The amount of monthly subsidy for the unit, including amounts from the operating and capital fund.

**Tracking and Notification**

Once a family’s income has been documented to exceed the 120% AMI income limit, this will be documented and compared to the family’s income one year later.

If, after one year of the initial over-income determination, the family’s income continues to exceed the over-income limit, written notification will be provided to the family informing them that their income has exceeded the over-income limit for one year and that if the family’s income continues to exceed the over-income limit for the next 12 consecutive months, the family will be subject to either a higher rent or termination of tenancy.

Once a family’s income has been documented to exceed the 120% AMI income limit the family will be notified in writing within 30 days and this will be tracked for a 24-month consecutive period.

If, at the 12 month certification, the family’s income continues to exceed the over-income limit, written notification will be provided again to the family within 30 days informing them that their income has exceeded the over-income limit for 12 months. If the family’s income has exceeded the over-income
limit for 24 consecutive months, then the family will be notified that they must find other housing within 6 months of the notification to avoid eviction proceedings.

If the family falls below the OI limit at any time during the 24-month consecutive period, then the PHA can return to regular income reexamination periods for the family and the family is entitled to a new 24-month consecutive period.

Changes in income can be submitted during the subsequent 6-month period and will be processed in accordance with AMHA policy, however this does not change AMHA’s determination and the resident will still be required to move out of the public housing unit.

Reason: to include the over-income HOTMA policy.

Chapter 12:

D. TERMINATIONS DUE TO DOMESTIC VIOLENCE IN ACCORDANCE WITH THE VIOLENCE AGAINST WOMEN ACT (VAWA).

The individual shall provide such certification within 14 business days after the PHA requests such certification. If the certification is not received within the 14 business day deadline, assistance may be terminated. The 14-business-day deadline may be extended at the discretion of the PHA.

Reason: to match current practice

F. TERMINATIONS DUE TO OVER INCOME

The PHA may terminate tenancy if the family’s income has exceeded 120 percent of the area median income for two consecutive years (Refer to chapter 11 Reexaminations, Section J).

When the PHA discovers through an annual or interim reexamination that the family’s income exceeds the applicable over-income limit of 120% of the area median income, the PHA must document that the family exceeds the threshold and compare it with the family’s income a year later. If one year after the initial over-income finding by the PHA, the family’s income continues to exceed the over-income limit, the PHA must provide written notice to the family. This notice must inform the family that their income has exceeded the over-income limit for one year, and if the family’s income continues to exceed the over-income limit for the next 12 consecutive months, the family will be subject to either a higher rent or termination based on the PHA’s policies. If the initial over-income determination was made during an interim reexamination, the PHA must conduct a second interim income reexamination on that date one year later. However, if a PHA discovers through an annual or interim reexamination that a previously over-income family has income that is now below the over-income limit, the family is no longer subject to these provisions. A previously over-income family would be entitled to a new two-year grace period if the family’s income once again exceeds the over-income limit.

When the PHA discovers through an annual or interim reexamination that the family’s income exceeds the applicable over-income limit of 120% of the area median income, the PHA must notify the family in writing and track it for a 24-month consecutive period.
If, at the 12 month certification, the family’s income continues to exceed the over-income limit, written notification will be provided again to the family within 30 days informing them that their income has exceeded the over-income limit for 12 months. If the family’s income has exceeded the over-income limit for 24 consecutive months, then the family will be notified that they must find other housing within 6 months of the notification to avoid eviction proceedings.

If the initial over-income determination was made during an interim reexamination, the PHA must conduct a second interim income reexamination on that date onef year later. However, if a PHA discovers through an annual or interim reexamination that a previously over-income family has income that is now below the over-income limit, the family is no longer subject to these provisions. A previously over-income family would be entitled to a new two-year grace period if the family’s income once again exceeds the over-income limit.

**Reason:** to include the over-income HOTMA policy.

**Chapter 13:**

Changed timelines for response to 10-business days throughout the chapter. Current version varies between 10 working and 14 working.

**Reason:** to match current practice and consistency

**Chapter 15:**

**D. ANNUAL DETERMINATIONS**

For each public housing resident subject to the requirement of community service, the PHA shall, at least 30 days before the expiration of each lease term, review and determine the compliance of the resident with the community service requirement, at each regularly scheduled annual reexamination, require each non-exempt family member to provide a signed self-certification to the PHA that he or she has performed qualifying activities over the previous twelve (12) months.

The PHA will validate a sample of self-certifications with the third-party for whom the resident completed the community service or self-sufficiency activity. The sample will be a statistically valid, random sample.

The PHA chooses January 1st of each year to determine the universe for validating self-certifications. The universe of self-certifications will only include residents that have submitted a self-certification, and will not include: Residents that are exempt; Residents for which a PHA receives third party verification of completion of CSSR; and Residents that did not complete the required CSSR.

**Such determination shall be made in accordance with the principles of due process and on a nondiscriminatory basis.**

The PHA will verify compliance annually. If qualifying activities are administered by an organization other than the PHA, the PHA will obtain verification of family compliance from such third parties.
Family members will not be permitted to self-certify that they have complied with community service requirements.

Reason: to clarify the community service policy.

Chapter 16:

G. CONCLUSION OF THE PHA’S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or his/her designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

Reason: to match current practice.

I. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

A 14 (fourteen) day-10 business days-response period.

Reason: to match current practice.

MTW Addendum
Updated approval dates throughout.
Reason: Additional waivers have been approved by HUD.

A. SUMMARY OF MTW WAIVERS

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<th>Agency Specific Waiver</th>
<th>Impact Analysis</th>
<th>Hardship Policy</th>
<th>Type of Waiver</th>
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<th>ACOP Chapter</th>
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<td>End Earned Income Disallowance (EID) Exclusion</td>
<td>PH &amp; HCVP</td>
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<td>Y</td>
<td>MTW Waiver-1v. &amp; 1.w.</td>
<td>C.1 Tenant Rent Policies</td>
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<td>Modify the FSS contract of participation</td>
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<td>MTW Waiver - 10d</td>
<td>C.10 Family Self-Sufficiency Program with MTW Flexibility</td>
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**B. TIERED RENT WAIVERS**

Eligible households will include residents/participants in both the public housing and HCV programs, including existing, currently assisted households and new households admitted during the alternative rent enrollment period (expected to be 11/1/22 - 10/31/23; certifications effective 7/1/23 – 6/30/24).

**Reason:** To match actual enrollment period.

### 5. End Earned Income Disallowance (EID) Income Exclusion

Submitted: 10/3/23, Expected Approval: 1/1/24, Pending Approval

Waives certain provisions of sections 3(a)(1) and 3(b)(4)-(5) of the 1937 Act and 24 CFR 5.609, 5.611, 960.253, 960.255, and 960.257.

No new EID exclusions will be offered to households. All households currently under an EID exclusion will continue through the full 24 months of their exclusion. The Housing Opportunity Through Modernization Act (HOTMA) being implemented on 1/1/25, which also discontinues EID exclusions, will make this waiver only necessary until that time. This waiver will not impact the Jobs Plus EID program.

**Reason:** New waiver request for 1/1/24.

### 8. Increase Over Income Grace Period

Submitted: 10/3/23, Expected Approval: 1/1/24, Pending Approval

Waives section 16(a)(5) of the 1937 Act and 24 CFR 960.261.

AMHA will allow households to be over-income and remain in a subsidized public housing unit for 3 years.

**Reason:** New waiver request for 1/1/24.

### 9. Modify the FSS Contract of Participation

Submitted: 10/3/23, Expected Approval: 1/1/24, Pending Approval

Waives certain provisions of sections 23(c) of the 1937 Act and 24 CFR 984.303(c).
Modify the FSS Contract length to 5 years.

**Reason:** New waiver request for 1/1/24.

**10. Local, Non-Traditional Activity for Public Housing Leasing Incentives**

Submitted: 10/3/23, Expected Approval: 1/1/24, Pending Approval

Waives the allowable use of funds required in section 9(d)(1), 9(e)(1), and 8(o) of the 1937 Act.

AMHA will offer a one-time incentive payment to new admission residents that accept an efficiency unit and/or a unit that has had 2 or more consecutive rejections. The incentive will be disbursed to the resident within 45 days of their move in date.

**Reason:** New waiver request for 1/1/24.

**D. HARDSHIP POLICY**

**Hardship Policy: Earned Income Disallowance (EID) Exclusion**

If an elderly or disabled individual has a financial hardship, they may request a hardship by completing the Hardship Request Form with an explanation and proof, as needed. The request will be reviewed and the household notified of the approval or denial in a timely manner. The hardship request will be denied if the form is not accompanied by documentation of the hardship and/or the request would not change the household’s rent. In the case of hardship denials, the household will be sent a denial letter stating why they did not qualify. The hardship would last until the HOTMA implementation that ends EID exclusions goes into effect, which is expected to be 1/1/25.

**Reason:** To allow for hardships for the 1/1/24 EID waiver request.