

# **PRINCETON HOUSING AUTHORITY**

## **ADMISSIONS, OCCUPANCY AND RENTAL** **POLICY**

**ADOPTED BY THE BOARD OF COMMISSIONERS**  
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## ADMISSION, OCCUPANCY AND RENTAL POLICY

### **1.0 INTRODUCTION/PURPOSE**

#### **1.1 Purpose of Policy**

The purpose of this document is to explain the policies, rules and procedures of the Housing Authority of the Borough of Princeton, as they relate to the admission of and continued occupancy of residents in public housing. It will also state the rules and procedures employed to calculate rent. This policy complies with the principles in Section 206 of the Housing and Community Development Amendments of 1979, Section 203 of the Housing and Urban Rural Recovery Act of 1983 and the Quality Housing and Work Responsibility Act of 1998.

Whereas it is the policy of the Housing Authority of the Borough of Princeton to fulfill the stipulations expressed in the U.S. Housing Act of 1937 and all subsequent amendments thereto as enacted by the Housing and Community Development Acts in the operation of all low-income public housing under its administration, and whereas it is the commitment of Princeton Township and Princeton Borough, the Housing Authority of the Borough of Princeton finds it necessary to delineate the admission, continued occupancy and rental policies and practices, and set priorities so as to accomplish its commitment to provide decent, safe and sanitary housing to eligible applicants, and residents in occupancy. It is pursuant to this goal that the Authority establishes the following criteria pertinent to eligibility for admission to its low-income housing developments under its jurisdiction, as well as rules and regulations to determine the calculation of rents. Notwithstanding the above, changes in applicable federal law or regulations as per 24 CFR Part 900 shall supercede provisions in conflict with this policy.

#### **1.2 Fair Housing Policy**

In establishing these criteria, the Authority has complied with all regulations of Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the HUD regulations of May 21, 1984, requirements as outlined in the Public Housing Occupancy Handbook, 7465.1 Rev. dated 10/78 and HUD regulations of May 12, 1988 as outlined in notice PIH 88-16, 7465.1 Rev-2. In an effort to provide a decent home and a suitable living environment which fosters economic and social mobility in the tenant body as a whole, the Authority hereby adopts policies and procedures which embody standards and criteria for tenant selection that takes into consideration the needs of individual families for low-income housing, as well as the statutory purpose in developing and operating socially and financially sound low-income housing developments.

These policies and procedures have been so designed as to avoid concentration of the most economically deprived families in any one of the HA's low-income housing sites, and preclude

admission of applicants whose habits and practices may have a detrimental effect on the health, safety and welfare of the residents. It is the goal of the Authority to attain a stable tenant body comprised of families with a broad range of incomes.

These policies and procedures have been designed in such a way as not to deny admission to any particular group or category or otherwise eligible applicants. They assure the objective and reasonable selection among eligible applicants and are consistent with the Authority's responsibilities as a public body. Finally, they comply with state, local and federal laws and regulations as well as the provisions of the Annual Contributions Contract governing the flow of funds between HUD and the Housing Authority.

### **1.3 Affirmative Marketing**

At the present time, HABOP has an extensive waiting list, so there is no need to actively market our properties. In order to assure minority participation, HABOP may meet with minority organizations or community representatives to discuss their programs and needs. HABOP shall be in compliance with the Local Housing Plan of any local, county or state Comprehensive Housing Affordability Strategy (CHAS) pursuant to Section 24 CFR, Part 91, and the CHAS shall have the housing authorities plans incorporated within.

## **2.0 ADMISSIONS POLICY**

### **2.1 Criteria for Admission**

In compliance with its statement of purpose and objectives, and in adherence to its policy of achieving a socially and economically viable tenant body, this Authority, through its tenant selection process, has determined that it will accept for admission to its public housing developments only applicants who at the time of application meet all of the following requirements: (Note: Procedures for the implementation of these criteria are discussed in Section 2.4 and criteria for denial of admission are discussed in Section 3.0 below).

- 2.1.1** Have demonstrated satisfactorily by past performance the ability to pay such monthly rent as would be determined according to the Authority's rent policy.
- 2.1.2** Have demonstrated through acceptable references the ability to conduct themselves in a manner that will not impair the environment and/or security of other tenants residing in the development.
- 2.1.3** Have demonstrated by past performance and behavior that family members are likely to obey all rules and regulations as embodied in the tenant's lease, as well as the rules and regulations embodied herein.

- 2.1.4** Have demonstrated by past behavior that family members will take affirmative action to maintain both the apartment he/she is seeking to lease as well as the common area of the development in which the apartment is located in a safe, healthy and sanitary condition.
- 2.1.5** In the event, however, that in the course of soliciting relevant information that will help determine the suitability and eligibility of any individual applicant as a potential public housing resident, any unfavorable information is received with respect to the applicant, the Authority shall consider such factors as might indicate a reasonable probability of favorable future conduct or financial prospects such as 1) evidence of rehabilitation or 2) evidence of participation in or willingness to participate in social service or other appropriate counseling service programs offered by the community at large.

However, the above criteria **will not** be employed to deny admission to potential residents on the basis of race, creed, color, national origin, marital status, and other factors enumerated in Title VI of the Civil Rights Act of 1968.

While the Housing Authority envisions itself as being responsive to the community's needs for low-income housing, it cannot accommodate emergency cases because of limited resources and its obligation to adhere to the standards set forth herein. However, its tenant selection process will aim at achieving these objectives by adhering to the criteria established herein.

**2.1.6** Verification Requirements. The following items of information are subject to verification by the Authority to determine eligibility and rent:

a) Income. The Authority will use the following to verify income:

- (1) Automated/computerized Upfront Income Verification.  
(currently includes the SWICA and EIV systems)
- (2) Third party verification through an employer or public agency.
- (3) Review documentation provided by the family such as benefit checks, income tax returns, etc.
- (4) Verification of public assistance from the governmental entity supplying it.

All copies of such information shall be kept in the applicant's file.

b) Assets. The Authority will review all savings and checking account bankbooks, newspaper stock quotations, local government assessed property values, tax returns, etc. The applicant will also be responsible for completing an "Asset Disposition" Form.

- c) Family Size and Composition. The Authority will rely on the declaration of the applicants related to family size, composition and the relationship among the family members.
- d) Age of Family Members. The Authority will request that birth certificates be provided to verify age.
- e) Separation or Divorce. If an applicant is divorced or separated and has a child or children by that spouse the applicant must provide one of the following verifications:
  - (1) A Final divorce decree. (Applies to individuals who are divorced and are not separated and is the only documentation accepted for individuals who are divorced.)
  - (2) Receipt of court-ordered child support from former spouse.
  - (3) Verification that applicant is pursuing child support through the courts or probation department.
  - (4) If applicant is receiving personal child support, the applicant must provide a notarized statement from the payee stating amount and payment schedule.
  - (5) Receipt of TANF (Temporary Assistance to Needy Families) through the municipal or county Department of Human Services for former spouse's children.
  - (6) Income tax statement from both the husband and wife showing that he/she each filed separately.
  - (7) A written statement from an attorney certifying that a suit for divorce has been filed.
- f) Unemployment Compensation or Veterans benefits.
- g) Non-Economic Selection Criteria. The Authority will make use of credit and criminal background checks. Home checks by Authority staff, court and police records, and references of prior landlords to obtain this information.
- h) Handicap or Disability (as defined by 42 USC Section 423(d)(1)(A) and the Developmental Disabilities Assistance and Bill of Rights Act 42 USC 6001(8) ). A physician's certificate verifying the handicap or disability may be required. In addition, verification by a clinic,

hospital, welfare agency, the Social Security Administration, vocational rehabilitation agencies, and similar sources will be acceptable.

- i) Social Security Numbers. Pursuant to the United States Department of Housing and Urban Development Guidebook 7465.7, all applicants are required to provide documentation and verification of United States citizenship and/or eligible immigration status as a condition of acceptance for housing. The required documentation of United States citizenship shall include a valid Social Security Number and at least one of the following: a certified copy of a birth certificate, a valid United States Passport or proof of naturalization. The required documentation for eligible immigration status shall be an original visa (green card).

The failure or inability of an applicant to satisfy the HUD guidebook requirements of proof of United States citizenship and/or eligible immigration status shall result in an applicant being removed from the waiting list.

- j) Eligible Citizenship Status. The Authority requires verification of eligible citizenship status in the form of birth certificates, passports, permanent residency cards, etc. The Authority will verify documentation provided by applicants and residents through the INS automated Systematic Alien Verification for Entitlements (SAVE) system.

All information obtained from the applicant concerning eligibility will be verified when a suitable dwelling is expected to be available.

**2.1.7 Confidentiality.** All records concerning an applicant or Tenant are strictly confidential.

- a) All applicants applying for public and/ or assisted housing shall complete and execute a Federal Privacy statement that states under what conditions HUD will release Tenant information. Requests for information concerning a specific Tenant must be in writing and accompanied by a signed release request before HABOP will release any information.
- b) All applicants applying for public and/ or assisted housing shall complete and execute a release for information form. This form will enable HABOP to obtain information regarding the applicant. Such

information will be used solely in determining eligibility and suitability for admission.

## **2.2 Specific Standards of Eligibility**

**2.2.1 Eligibility for Admission.** Applicants to be admitted into the Authority's low-income housing must satisfy the following additional requirement:

- a) Have a total family gross income which cannot exceed the maximum income limits for admission as set forth in Exhibit A.

**2.2.2 Preference in Selection of Tenants.** In selecting applicants for assistance in public housing, residents of the municipality of Princeton will be given preference at all times. A resident is defined as follows:

- a) An applicant who resides in the municipality of Princeton at the time he/she submit his/her application.
- b) An applicant who is working in the municipality of Princeton.
- c) A person at least 55 years of age who is the parent of a Princeton resident or who has previously lived in the municipality of Princeton.
- d) For purposes of determining whether an applicant is either a resident of, or working in, the municipality of Princeton, the actual physical location of the residence or workplace shall be determined by reference to the official municipality of Princeton Tax Map and not the postal mailing addresses. The preference will be based on the Tax Map.

When an applicant who was a non-resident becomes a resident, the previous application will be placed at the end of the resident waiting list as of the date he/she presents verification of residency.

Any individual who is on the waiting list and subsequently moves out of the municipality of Princeton will maintain his/her position on the waiting list.

## **2.3 Continued Occupancy Limits**

The Housing and Community Development Act of 1974 completely eliminated the concept of continued occupancy income limits for public housing residents.



In addition, the Authority as per Exhibit H has adopted ceiling rental limits. However, if it is determined that a family's income is in excess of the income limits set for new admissions, the Authority will determine whether the family is a family of low-income in accordance with its standards and criteria for continued occupancy. If the Authority determines that the family is not a low-income family, the Authority, as provided in 24CFR Section 860.6, will not commence eviction proceedings or refuse to renew a lease based upon the income of the tenant family unless it has identified for possible rental by the family a unit of decent, safe and sanitary housing of suitable size available at a rent not exceeding 30% of adjusted income as defined by this policy.

#### **2.4 Related Procedures – Process of Applying for Admission**

In order to insure that very low-income families are not discriminated against, it shall be the policy of this Authority to admit not less than 40% of all families with incomes at or below 30% of the area median income in accordance with the Income Targeting provisions of the Quality Housing and Work Responsibility Act of 1998.

The Authority shall obtain a written application signed by a responsible adult member of the family, who can enter into a legally binding contract. This application shall set forth all data and information necessary to enable the Authority to determine whether or not the family meets the conditions for admission or continued occupancy.

All applications received shall be dated and maintained in the central office by the tenant selection staff. Each application shall be assigned an appropriate place on a community-wide basis in sequence based upon date the application is received, suitable type and size of unit and factors affecting preference or priority established by the Authority, not inconsistent with the objectives of Title III of the Civil Rights Act of 1964 and the HUD regulations and requirements pursuant thereof.

Eligible families on the waiting list must contact the Authority immediately if any change in family composition, income or factors affecting preference should occur. Eligible families should contact the Authority with any change of address, PO box, phone number, or other information which would be required for the Authority to contact the family.

Suitable vacancies arising at a given time at any location shall be offered to the eligible applicant first in sequence at such time. If the applicant offered the available apartment refuses, he/she will be given another choice if one exists. If another unit is not available, then the applicant will be given a second offer as soon as one becomes available. If the applicant rejects the second offer, he/she will be moved to the bottom of the eligible applicant list.

However, if an applicant presents to the satisfaction of the Authority clear evidence that acceptance of a given offer of a suitable vacancy will result in undue hardship or

handicap not related to considerations of race, color, or national origin, such as inaccessibility to source of employment, children's day care and the like, refusal of such an offer shall not be counted as one of the two allowable refusals permitted an applicant before placing his/her name at the bottom of the eligible list.

In addition, any and all forms requiring signature of applicants or tenants that involve contract of stipulations regarding admission and occupancy shall be read and explained to the tenant or applicant prior to signing. If economically feasible, all above listed documents shall be available in languages other than English on request and/or self-evident need. In any event, the Authority shall supply an applicant who does not read or write the English language with a translator if this is economically feasible.

Management shall develop reasonable procedures for the screening and acceptance of applicants referred from external social service agencies. If tenants are involved in such screening procedures, he/she shall not receive rent reductions in return for his/her participation.

The applicant will be required to sign a release allowing the Authority to request a copy of a police report from the New Jersey State Police and the Federal Bureau of Investigation if required. In addition, the applicant, if required, will provide fingerprints to the police department for submission to the FBI for check through the National Crime Information Center.

The Authority shall promptly notify any applicant (as per Section 2.6) determined to be ineligible for admission (as per Section 3.0), the basis for such determination and shall provide the applicant, upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on said determination.

When a determination has been made as to the eligibility and satisfaction of all requirements for admission including the tenant selection criteria, the applicant will be notified of the approximate date of occupancy.

The Housing Authority, working in conjunction with social service organizations, the local and state governments and its various departments, shall commit itself to the development/provision of quality residences in public housing that will attract qualified new tenants and retain tenants who adhere to standards embodied herein.

Individuals who have a physical impairment may call the Authority to make special arrangements to complete his/her application.

The Authority may from time to time close its waiting list by suspending the acceptance of any new applications for assistance. The Authority will make it known to the general public through the publication in the media of the fact that applications are being suspended. When the Authority determines it is in its best interest to open the waiting

list and begin accepting applications again he/she will publish in the news media an advertisement stating that applications are available.

The advertisement shall contain the following:

- The HA will publish the date applications will be accepted and the location where applications can be completed. If the HA anticipates suspending the taking of applications after a period of time, the date of acceptance and closing of applications must be published.
- Advise families that applications will be taken at the designated office.
- Briefly describe the Public Housing program.

## **2.5 Non Compliance with Housing Authority Schedule of Appointments and Submission of Documents**

An applicant must adhere to all schedules established by the housing authority to review eligibility. An applicant who fails to keep an appointment without notifying the HA and without re-scheduling the appointment shall be sent a notice of termination of the process for failure to supply such certification, release of information or documentation as the HA or HUD determines to be necessary (or failure to allow the HA to inspect the dwelling unit at reasonable times and after reasonable notice, if applicable) in the following situations:

- Complete Application
- Bringing in Verification Information
- Briefing prior to Occupancy
- Leasing Signature
- Inspections
- Recertification
- Interim Adjustment
- Other Appointments or Requirements to Bring in Documentation as Listed in this Plan
- Scheduled Counseling Sessions
- Move-In appointments

Process When Appointment(s) Are Missed: - For most of the functions above, the family may be given two appointments.

If the family does not appear or call to reschedule the appointment(s) required, the HA may begin termination procedures. The applicant or tenant will be given an opportunity for an informal meeting or hearing, as appropriate pursuant to the grievance process. Only Tenants are afforded a grievance. The grievance procedures do not apply to applicants.

If the representative of the HA and/or Hearing Officer makes a determination in favor of the applicant/tenant, the HA will comply with said decision unless the applicable provisions of the Grievance Procedure is applicable to the Hearing Officer's decision.

Letters Mailed to Applicants by the HA: - If an applicant claims he/she did not receive a letter sent by the Authority which requested information from the applicant or to have them attend an interview, the HA will determine whether the letter was returned to the HA. If the letter was not returned to the HA, the applicant will be assumed to have received the letter.

If the letter was returned to the HA and the applicant can provide evidence that he/she were living at the address to which the letter was sent, the applicant will be reinstated with the date and time of the application in effect at the time the letter was sent.

Applicants must notify the HA, in writing, if his/her address changes during the application process.

## **2.6 Notification of Applicants**

The Authority will promptly notify all applicants as to his/her eligibility or ineligibility as follows:

**2.6.1** An eligible applicant will be notified of the approximate date of occupancy insofar as that date can be reasonably determined. If an approximate date cannot be determined, the Authority will inform the applicant of his/her status on the waiting list and its length.

**2.6.2** An ineligible applicant will be notified of the basis for the determination and will be provided upon a written request within ten (10) days after the determination with an opportunity for an informal meeting. The authority will hold this informal meeting within ten (10) days of the request. The person designated by the authority to conduct the informal meeting shall be an impartial person appointed by the authority other than the person who made the initial determination under review. The meeting shall be conducted in accordance with applicable HUD and housing authority rules. The hearing officer shall return a decision within ten (10) days of the meeting. The housing authority's grievance procedure applies only to residents. It does **not apply** to applicants.

**2.6.3** The Authority will maintain all applicants' records indicating the final action taken, including applications that have been determined inactive for a total of seven years.

## **2.7 Deconcentration**

Section 513 of the Quality Housing and Work Responsibility Act of 1998 makes several amendments to Section 16 with respect to deconcentration of poverty and income targeting. The housing authority will make every effort to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects whenever possible. The housing authority may offer incentives to eligible families that would help accomplish this goal. In addition, skipping of a family on the waiting list specifically to reach another family with a lower or higher income may be done as required to meet this goal.

The housing authority will try to maintain a balanced income mix on all of its scattered sites. Replacing vacancies from the same or similar income levels will maintain this mix.

## **2.8 Misrepresentation by the Applicant or Tenant**

If an applicant or tenant is found to have made willful misrepresentations at any time which resulted in the applicant or tenant being classified as eligible, when, in fact, he/she were ineligible, applicant/tenant will be declared ineligible and the lease and/or application will be terminated because of the misrepresentation by the applicant/tenant. If such misrepresentation resulted in tenant paying a lower rent than was appropriate, tenant shall be required to pay the difference between the actual payments and the amount, which should have been paid. In justifiable instances, the HA may take such other actions as it deems appropriate, including referring the tenant to the proper authorities for possible criminal prosecution.

## **3.0 CRITERIA FOR DENIAL OF ADMISSION**

Public housing residency is a privilege and not a right. In order to preserve the housing authority's interests and the integrity of the program, HABOP may deny admission to an applicant for the following:

- 3.1** Has demonstrated unsatisfactorily by past performance the ability to pay such monthly rent as would be determined according to the Authority's rent policy.
- 3.2.1** Has demonstrated, through unacceptable references, the ability to conduct themselves in a manner that will not impair the environment and/or security of other tenants residing in the development.
- 3.2.2** Has demonstrated by past performance and behavior that family members are unlikely to obey all rules and regulations as embodied in the tenant's lease, as well as the rules and regulations embodied herein.

- 3.2.3** Has demonstrated by past behavior that family members will not maintain both the apartment he/she are seeking to lease as well as the common area of the development in which the apartment is located in a safe, healthy and sanitary condition.
- 3.3** The Housing Authority will not assist a family if he/she owe rent, other amounts or have judgments to any housing authority or any other federal subsidized housing program.
- 3.4** The housing authority will not assist a family if he/she have previously vacated a public or assisted housing unit in violation of the terms of his/her lease.
- 3.5** Has been previously evicted from public housing.
- 3.6** Has committed acts that would constitute fraud in connection with any federal housing program.
- 3.7** Did not provide information required within the specified timeframe as outline in Section 2.5 above.
- 3.8** Has been convicted of a drug-related criminal offense or violent criminal activity. HABOP shall deny admission to a family that contains a member of the household who is subject to the lifetime registration for sex offenders.
- 3.9** If the Authority determines that a person has illegally used or is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other Tenants. The Authority **may** waive this requirement if:
- 3.9.1** Said person has successfully completed a supervised drug or alcohol rehabilitation program.
- 3.10** Has a history of criminal activity involving crimes of physical violence to persons or property and other criminal activities that may adversely affect the health, safety and welfare of other Tenants.
- 3.11** Intentional misrepresentation of verification information as outlined in Section 2.8 above.
- 3.12** If this information is used to deny admission the Authority will provide a copy of the information used in its determination in accordance with the Criminal Records Management Policy.

This list is not to be construed as totally inclusive, and there may be circumstances not listed which may be used for denial of admission if the Authority determines that to admit the household or member thereof would have a detrimental effect on the health, safety or right to peaceful enjoyment of the premises by other Tenants.

### **3.13 Limited Periods of Denial of Admissions**

If an applicant is denied admission, it **may** be determined by the Authority to only be a limited denial. These timeframes are only a guideline, and may be extended if the Authority deems it is in the best interest of the Authority and or the Tenants. The timeframe for these denials is as follows:

#### **3.13.1 One Year Limited Denial:**

- Minor violation of lease
- Failure to provide adequate verifiable documentation
- Failure to provide documentation in the specified timeframe

#### **3.13.2 Three Year Limited Denial:**

- Bad credit history
- Bad housekeeping habits
- Bad landlord references
- Bad rent payment history
- Eviction from public and or assisted housing because of drug-related criminal activity
- Past behavior which may be a considered a threat to other Tenants

#### **3.13.3 Five Year Limited Denial:**

- Fraud or giving false information during the initial or any subsequent certifications to the Housing Authority

#### **3.13.4 Ten Year Limited Denial:**

- Drug use without any evidence of rehabilitation
- An arrest or conviction that indicates that the applicant may be a threat to other Tenants

#### **3.13.5 Lifetime Denial:**

- Household with a member who is subject to a lifetime registration under the State's sex offender registration law
- Applicant who has been convicted of manufacturing or producing illegal controlled substances on or around the premises of any Housing Authority
- Conviction of drug trafficking

## **4.0 RENT POLICY**

The Total Tenant Payment (Rent) will be the greatest of:

- (a) 30% of family monthly adjusted income
- (b) 10% of family monthly gross income
- (c) Welfare assistance specifically designated for rent
- (d) \$50.00 minimum monthly rent

Applicable utility allowance shall be subtracted from the established gross rent. If the allowances for tenant supplied utilities applicable to the family exceeds computed rent, the amount of credit will be made payable to the applicable utility company.

### **4.1 Broad Range of Incomes Objective**

To accomplish this objective the Authority shall:

- 4.1.1** Ascertain the distribution of incomes of families on the Authority's waiting list;
- 4.1.2** Ascertain the average operating costs of the project and the average rent required to meet such costs;
- 4.1.3** Utilizing the above information, develop criteria, by preference or otherwise, that will be reasonably calculated to attain the basic objective. The criteria developed will be sufficiently flexible to assure administrative feasibility.

### **4.2 Rent Collection**

Rents are due and owing in advance by the first of each month, payable at the Housing Authority offices or by mail. A late charge of \$15.00 will be imposed upon any tenant who fails to pay rent in full by the 5<sup>th</sup> day of the month. No partial payments will be accepted, unless a written agreement exists between the resident and the Housing Authority. A late charge of \$20.00 will be imposed upon any tenant with three consecutive late fees.

#### **4.2-A Repayment Agreement Policy**

Tenants entering into re-payment agreements have one of the following three options:



- 1) 0% of the outstanding balance as a down payment and the remainder to be paid in equal installments over a period of six months.
- 2) 10% of the outstanding balance as a down payment and the remainder to be paid in equal installments over a period of nine months.
- 3) 20% of the outstanding balance as a down payment and the remainder to be paid in equal installments over a period of twelve months.

In cases where back rent in excess of \$5,000 is charged to a tenant's account, and where the evidence indicates no intent on the part of the tenant to defraud the Authority, the Authority has the option to extend a re-payment agreement to a maximum of five (5) years.

**Alternative agreements for shorter terms can be negotiated if acceptable to both the tenant and the Executive Director.**

**Tenants will only be permitted to enter into one (1) payment agreement per calendar year.**

#### **4.3 Security Deposits**

All residents of low-income public housing units will be responsible for maintaining with the Housing Authority a security deposit equal to one month's rent upon admission to the program, or a \$100 minimum-security deposit. Security deposits will be held in an interest bearing account on behalf of the tenant. In accordance with New Jersey State law, interest generated on behalf of the tenant in his/her security deposit account shall be rolled over from year to year. The total security deposit, including all interest, shall be distributed to the resident upon vacating his/her unit. The security deposit and interest shall have deducted from it any costs for damages, utilities or other outstanding balances.

#### **4.4 Minimum Rent Hardship Exemptions - As per Lease Section 4 (f)**

Minimum Rent Hardship Exemptions: HABOP shall grant an exemption from the minimum rent provision to any family making a request in accordance with HA policy in writing that is unable to pay that minimum payment because of financial hardship, which shall include:

**4.4.1** The family has lost eligibility for, or is awaiting an eligibility determination for a federal, state or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the immigration and naturalization act who would be entitled to public health benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

**4.4.2** The family would be evicted as a result of the implementation of the minimum rent.

**4.4.3** The income of the family has decreased because of changed circumstances, including loss of employment.

**4.4.4** A death in the family has occurred which affects the family circumstances.

**4.4.5** Other circumstances which may be decided by HABOP on a case-by-case basis.

All of the above must be proven by the Tenant providing verifiable information in writing to HABOP prior to the rent being delinquent and before the lease is terminated by HABOP. If Tenant requests a hardship exemption under this section, and HABOP reasonably determines the hardship to be of a temporary nature, exemption shall not be granted during a ninety-day period beginning upon the making of the formal request for the exemption. A Tenant may not be evicted during the ninety-day period for nonpayment of rent. In such a case, the Tenant thereafter demonstrates that the alleged hardship is of a long-term nature and not temporary, HABOP shall retroactively exempt the Tenant from the minimum rent requirement for the ninety-day period past. This paragraph does not restrict nor prohibit HABOP from taking legal action to evict the Tenant for other violations of the lease.

## **5.0 OCCUPANCY STANDARDS**

The following standards will determine the number of bedrooms required to accommodate a family of a given size and will be adhered to in every instance where availability of units permits.

<u># Bedrooms</u>	<u>Minimum # Persons</u>	<u>Maximum # Persons</u>
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8

In the assignment of dwelling units, only persons of the opposite sex who are husband and wife, or where the Authority determines that a “stable relationship” exists, will be allowed to occupy the same bedroom. An exception to this policy will be any case where there are infants and children up to five years of age. In extraordinary cases these standards may be waived (e.g. intergenerational families). Reassignment or transfers to other dwelling units shall be made without regard to race, color, creed or national origin as follows:

**5.1** Tenants shall not be transferred to a dwelling unit of equal size, whether within a complex or between sites, except for alleviating hardships as determined by the Executive Director.

**5.2** If, per the occupancy standards, the size of the dwelling unit is no longer appropriate to tenant’s needs, that tenant will be required to move to another available unit of

appropriate size of tenant's choice within the project site where the tenant presently resides. The tenant will be required to move to an available unit of appropriate size in another site if such units are not required for tenants already residing at this site. If, however, the tenant refuses such appropriate accommodations, his/her lease may be terminated.

## **6.0 LEASING OF DWELLING UNITS**

A legal head of a family accepted to live in public housing who is 18 or over, will be required to sign a lease agreement prior to actual admission. The Executive Director will also sign the lease with one copy given to the tenant and one copy kept in the Authority's office.

Only those persons listed on the most recent certification form shall be permitted to occupy a dwelling unit unless there is a birth to a family member or an authorized addition by the Authority in writing.

### **6.1 Visitors**

Visitors may be permitted to sleep overnight in a dwelling unit, provided he/she are reported to the Authority within 48 hours of his/her arrival or prior thereto. Visits not exceeding 15 days may be authorized. Visitors remaining beyond this period shall be considered trespassers and the tenant shall be guilty of a breach of the lease, unless written authorization was given by the Authority.

Tenants will not be given permission to allow a former tenant of the Authority who has been evicted to sleep overnight in the unit for any period of time whatsoever.

### **6.2 Senior Tenants**

Each elderly tenant over the age of 62 will be required to have a co-signer whose responsibility will be limited to contact with management in the event of serious illness or death and who will be required to take custody of the tenant's belongings in the event of death and promptly remove them from the apartment so that it may be rented to a new occupant without delay. The Authority will consider evidence of hardship requiring reasonable additional time within which to remove the tenant's belongings following his/her death. The co-signer shall not be liable for rentals or other charges owed by the elderly tenant to the Authority.

In the event the Authority shall determine a tenant is unfit and unable to govern his/her affairs and meet his/her responsibilities under the lease or in the event of the death of a tenant, the personal property must be removed from the unit within 15 days of the date of the Authority's determination of incapacity or the date of death. If the property is not removed, the Authority shall have the right to enter the premises, remove the personal property of said incapacitated or deceased tenant and cause such property to be transported and stored at the sole cost of the estate of said tenant.

### **6.3 Transfers**

Transfers of families from one unit to another shall occur only as follows:

- Increase or decrease in family size that creates overcrowding or underutilizing of the unit.
- Family whose member becomes disabled, or when a disabled member no longer lives in the unit.
- To avoid vacancy loss and other expense due to unnecessary transfers.

If a tenant's family transfers from one dwelling unit to another, a new lease shall be executed.

#### **6.3.1 Types of Transfers**

HA initiated: The HA may at its discretion transfer residents because of an uninhabitable unit, major repairs, or other actions initiated by management. For these types of transfers the HA will cover the cost of the transfer pursuant to cost allowed by HUD.

Transfers for Reasons of Health: Tenant may be transferred when the HA determines that there is a medical need for such transfers, such as inability to negotiate stairs or steps. The tenant will be required to provide a statement from a medical doctor which indicates the condition of the tenant and the HA reserves the right to make its own evaluation of the situation and documentation. If the HA determines that there is not a substantial and necessary medical need for such transfer, the request for transfer shall be treated as a convenience transfer. Normally such transfers will be within the tenant's original neighborhood unless the appropriate size and type of unit does not exist on the site. The tenant must pay for all of his/her moving expenses and a transfer fee.

Convenience Transfers: The Executive Director or his/her designee may at his/her discretion permit a transfer to another housing community or public housing facility for the convenience of the tenant for good cause. However, the cost of the transfer shall be borne by the tenant. A "Transfer Charge" list is posted in the HA offices and is based on our contract price for maintenance and an administrative charge of \$50 for processing the transfer. The transfer charge list is updated annually by the HA. The HA will charge the actual cost of the transfer, which includes the administrative cost, the cost of preparing the unit for re-rental and, if applicable, a penalty for not turning in the keys to the old unit. The tenant is allowed a period of 10 days to move and turn in the keys to the old

unit without being charged a penalty. If the move takes more than 10 days and the keys are not turned in the tenant will be charged a pro-rated per day penalty, calculated on that tenant's Total Tenant Payment (TTP) for each day the keys are not turned in to the HA. Prior to the transfer the Landlord will perform an inspection on the current unit to determine the amount of charges the tenant will be required to pay as a result of tenant caused damages, if any. All transfer charges must be paid at the time the tenant signs his/her lease and receives the keys for the new unit. The Landlord will perform a final inspection, with the tenant, on the unit that the tenant transferred from, after the keys are turned in, and a final determination will be made by the HA staff as to additional charges that may be due the HA. For example, the tenant may not have cleaned the unit properly and/or damaged the unit during the moving process. If there are any charges that are due the HA, as a result of this inspection, the tenant must pay for these damages within fourteen (14) days of written notice from the HA. The tenant must sign a transfer agreement after the HA has authorized the transfer and prior to the transfer.

Request for transfers for convenience must be made, in writing, to the HA's business office stating the reason for the requested transfer. The HA will issue a decision within thirty (30) calendar days of receipt of the request, and if approved, provide the tenant with a list of the charges that will be the tenant's responsibility to pay prior to the transfer.

Transfers for Over/Under-housed Families to the Appropriate Unit. The HA may transfer residents to the appropriate sized unit and tenants are obligated to accept such transfers. Transfers will be made in accordance with the following principles:

- (1) Determination of the correct sized apartment shall be in accordance with the HA's occupancy guidelines, as outlined in Occupancy Guidelines.
- (2) Transfers into the appropriate sized unit will be made within the same neighborhood unless that size does not exist on the site.
- (3) The tenant must pay for his/her moving expenses.

Priorities for transfers - All transfers must be either for health reasons, for relocation to an appropriate sized unit, approved convenience transfers, or initiated by the HA due to modernization work and/or other good cause as determined by the HA. Priority transfers are listed below:

- (1) HA initiated transfers,
- (2) Transfers for health reasons,
- (3) Tenants who are under-housed by one or more bedrooms,
- (4) Tenants who are over-housed by one or more bedrooms
- (5) Convenience transfers.

Within each priority type, transfers will be ranked by date. In processing transfers requested by tenants for approved health reasons or to move to a larger apartment, the date shall be that on which the changed family circumstances are verified by management. The HA reserves the right to immediately transfer any family who has misrepresented family circumstances or composition and the family charged the posted rate for convenience transfers. Failure to pay for these charges will result in termination of the dwelling lease.

**6.3.2 Transfer Procedures:** - The HA shall:

Prepare a prioritized transfer list, as needed, at annual recertification.

Notify residents by letter of his/her pending transfer.

Participate in evaluation of request for transfer based on approved medical reasons.

Issue final offer of vacant apartment as soon as vacant apartment is identified.

Issue notice to transfer as soon as vacant apartment is available for occupancy.

Participate in planning and implementation of special transfer systems for modernization and other similar programs.

Inspect both apartments involved in the transfer, charging for any resident damages that is not considered normal wear and tear.

When the tenant is transferred for modernization, the cost of the transfer shall be paid by the HA, pursuant to cost that is allowed by HUD.

A resident being transferred within his/her own neighborhood will be allowed to refuse one offer. A resident being transferred outside his/her own neighborhood will be allowed to refuse two offers. In the case of a family being transferred from a unit which is uninhabitable, incorrectly sized or scheduled for major repairs, failure to accept the unit offered, or the second unit offered in the case of a transfer outside the neighborhood, will be grounds for eviction. When a tenant declines an offer of a transfer to a single level apartment and the tenant requested the transfer the HA will notify the tenant, at that time, that the HA is not obligated to make any subsequent offers. The HA will notify the tenant that the HA has discharged its obligations to the tenant and he/she will remain in the unit at his/her own risk, and that the HA assumes no liability for the tenants condition.

Right of HA in transfer policy - The provisions listed above are to be used as a

guide to insure fair and impartial means of assigning units for transfers. It is not intended that this policy shall create a property right or any other type of right for a tenant to transfer or refuse transfer.

#### **6.4 Moving/Storage Expenses**

The Authority shall not provide a mover at its expense for any tenant moving out of public housing. In addition, the Authority will not reimburse any tenant for any miscellaneous expenses involved with moving from one apartment to another.

When a tenant vacates the apartment, a move-out inspection will be performed. If, during this inspection, it is found that furnishings have been left by the tenant, the costs to remove, store or dispose of these furnishings will be charged to the tenant. The costs will be deducted from any security deposit of that tenant. All charges will be based on an hourly rate for removal and actual rate for storage and/or disposal.

#### **6.5 Interim Re-examinations**

During the lease agreement, changes in rent or family composition shall be processed as follows:

- 6.5.1** Changes in rent shall be made by submitting a Recertification Application, verifying new income and/or family members and executing a rider to the lease. This rider must be dated and signed by both the Authority and the Tenant. A copy will be given to the tenant and the original shall be kept in the Authority's office.
- 6.5.2** Changes in the primary lessee shall cause a new lease to be made for the apartment.
- 6.5.3** If, through any cause, the primary signer of the lease ceases to be a resident member of the family, the lease will be voided and a new lease executed. A remaining member of the family who can qualify as a lessee will sign this new lease. If, nevertheless, no member is qualified to sign a new lease, the existing lease will be voided and the family will be required to vacate.
- 6.5.4** Cancellation of a tenant's lease will be made in accordance with the provisions of the lease attached hereto.

If, during the tenure of a lease agreement, a tenant requests the addition of a family member to the lease, the Authority will follow the same procedure when reviewing this individual's suitability for the public housing as it follows when reviewing the initial applicant. The review of this individual will include all of the items as outlined in Section 2.0 of the Admissions and Occupancy Policy.

If it is determined that this individual will not be a suitable resident of the public housing, the Authority will notify the family that this individual will not be allowed to reside in the public housing nor be added to the lease. At this point the resident may accept the Authority's decision or terminate his/her tenancy.

## **7.0 SMOKING POLICY**

Smoking in any of the following areas of HABOP's premises will be strictly prohibited. Individuals who are found smoking in any of these areas will be in breach of his/her lease and subject to the Authority's action. The areas are as follows:

- Clay Street Learning Center
- Redding Circle Family Community Room
- Redding Circle Elderly Community Room & office
- Spruce Circle Community Room
- Spruce Circle offices
- All laundry rooms
- Administrative offices
- Redding Circle Garage

In addition, Housing Authority personnel are prohibited from smoking in any resident's unit. All Housing Authority personnel are expected to obey all local smoking ordinances.

## **8.0 PARKING POLICY**

It is the policy of the Authority to regulate all on-site parking. It is the position of the Authority that all on-site parking is a privilege and is, therefore, granted in accordance with the policy as per Exhibit J. Parking is reserved only for tenants who are listed on the lease.

## **9.0 PET POLICY**

It is the purpose of this policy to insure that those residents who desire pets are responsible pet owners; that those residents who do not desire pets are not inconvenienced by pets on the premises; to assure that pets on premises are properly cared for; and that Housing Authority properties remain decent, safe and sanitary.

See Pet Policy, Exhibit K.

## **10.0 ANNUAL RECERTIFICATION**

At least once each year, or as requested by the Authority, tenant households must furnish such accurate information regarding family composition, employment and household income as may be necessary to make a determination with respect to rent, eligibility and the appropriateness of the unit size. Required verification may include, but is not limited to, earning reports from



employers, copies of state and federal income tax returns of all household members, W-2 forms, bank statements, etc.

Approximately three months prior to a lease renewal date, the Authority will send a notice informing the tenant of the requirements necessary to recertify and renew the lease. An interview must be scheduled and all documentation requested by the Authority must be submitted per the schedule. If, by that date, the tenant has not scheduled an interview nor provided the necessary documents, a notice will be sent to the tenant giving them 10 days to provide the required information in accordance with the lease. The notice will also inform the tenant that failure to provide the required information will result in termination of the lease. If the tenant fails to respond within 10 days, a 30-day Notice to Quit will be sent to the tenant.

The length of time from the date of admission to the date of first recertification may not exceed 12 months according to current federal regulations. Therefore, in order to fit a new tenant into the established schedule, the first regularly scheduled recertification may be conducted in a period of less than 12 months.

The tenant is to be notified in writing of any changes required in rent or unit occupied and of any misrepresentations or lease violations revealed by the recertification and the corrective action that must be taken.

## **11.0 INSPECTIONS**

### **11.1 Initial Inspection at Move-In**

Prior to initial occupancy, the housing authority and the Tenant shall perform a walk-through of the unit to determine its condition at time of move-in. A written inspection report shall be prepared by the housing authority and signed by the Tenant. This inspection report shall document any and all conditions within the unit prior to occupancy.

### **11.2 Inspection at Move-Out**

Prior to move-out, the housing authority and the Tenant shall perform a walk-through of the unit to determine its condition at time of move-out. A written inspection report shall be prepared by the housing authority and signed by the Tenant. This inspection report shall document any and all conditions within the unit prior to move-out. Any security deposit shall be used to offset any damages recorded. It is the Tenant's responsibility to pay for any repairs to the unit due to his/her actions. By failing to be present at the scheduled move-out inspection, the tenant forfeits any right to dispute damages charged by the Authority and charged to the tenant's security deposit.

### **11.3 Annual Inspections**

At least once a year the housing authority will perform an inspection of the dwelling unit. This inspection will be in accordance with the Housing Quality Standards (HQS), and a copy of the report will be forwarded to the Tenant. Any deficiencies found at the time of the inspection will result in the development of a work order for the repair. If Tenant's negligence or abuse instigated the required repair, the Tenant will be responsible for paying for the repair. A list of all maintenance charges will be provided to the Tenant at Lease signing. Tenant will be given at least 48 hours notice of inspection.

If the inspection indicates that the Tenant has poor housekeeping habits that need to be improved upon, the inspector will file a report and a follow up inspection as outlined in Section 11.5 may be scheduled within 30 days to see that the deficiencies are corrected. If the Tenant fails to correct the deficiencies, provisions of the lease may be enforced and the tenant evicted.

### **11.4 Emergency Inspections**

If an employee and or contract agent of the authority has reason to believe that an emergency exists within the unit, the unit can be entered without notice. The person(s) that enters the unit must leave a written notice to the Tenant that indicates the date and time the unit was entered and the reason why it was necessary to enter the unit.

### **11.5 Random Inspections**

The Housing Authority retains the right to perform random inspections to determine whether or not the Tenant is keeping the unit in a decent, safe and sanitary condition in accordance with the guidelines established by the Authority. A copy of the report will be forwarded to the Tenant. Tenant will be given at least 48 hours notice of inspection.

## **12.0 INTERIM RECERTIFICATION**

If a family has income which is not verified and rent cannot be established due to the tenant's failure to submit the required information, the tenant is subject to eviction.

Any change in family income or family composition must be reported to the Authority within 10 days of its occurrence. Failure to do so will be grounds to terminate the lease.

Rent will remain in effect for the period between regular rent recertifications unless during such period:

- Tenant can show a change in his/her circumstances (such as a decline in income) which would justify a reduction in rent pursuant to the Schedule of Rents or such other circumstances as would create a hardship situation.
- Tenant gains employment or receives a pay increase.

- Tenant commences to receive public assistance or assistance is terminated.
- It is found that a tenant has misrepresented the facts upon which rent is based so that the rent owed is less than it should be. The increase in rent will be retroactive.

In case of a rent decrease, the adjustment will become effective the first of the month following the change in circumstances, provided that the Tenant has reported such change by the 15<sup>th</sup> day of the month the changed occurred. In the case of a rent increase, the change shall take effect on the first day of the second month following the change (unless the rent increase is the result of a change in household composition or income which is not reported within 10 days or results from a finding of a misrepresentation as provided above).

### **13.0 TERMINATION OF THE LEASE**

See Lease, Section 12. In the event the Authority is forced to institute legal action for eviction, the tenant will be responsible for any legal costs incurred by the Authority. In the event the Authority is forced to institute legal action for eviction and the tenant is evicted, the tenant shall be responsible for any reasonable legal and court costs incurred by the Authority.

### **14.0 DEFINITION OF TERMS**

Child Custody. An applicant or Tenant who does not have full custody of a minor child(ren) may only claim a child as a dependent as follows:

- a) The applicant or Tenant must have primary custody of the child(ren).
- b) The applicant or Tenant must provide sufficient evidence that if the applicant were admitted the child would reside with the applicant. The same child cannot be claimed by more than one applicant(i.e. counted more than once in order to make two (2) eligible families).

Citizen. An individual born in the United States or naturalized.

Dependent. A member of the household (excluding foster children) other than the head or spouse, who is under 18 years of age, is a disabled or handicapped person, or is a full-time student. An unborn child shall be considered for purposes of income eligibility and unit size.

Disabled Person. An individual who is under a disability as defined in Section 223 of the Social Security Act or in Section 102(b)(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970

Section 223 of the Social Security Act defines disability as:

“Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months”;  
or

In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in Section 416(I)(1) of this title: “ the inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he/she have previously engaged with some regularity and over a substantial period of time.”

Section 102(b)(5) of the Developmental Disabilities Services and Facilities Construction amendments of 1970 defines disability as:

“A disability attributable to mental retardation, cerebral palsy, epilepsy, or another neurological condition of an individual found by the Secretary to be closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals, which disability originates before such individual attains age eighteen, which has continued or can be expected to continue indefinitely, and which constitutes a substantial handicap to such individual.”

No individual shall be considered to be a person with a disability for purposes of eligibility for low income housing solely on the basis of any drug or alcohol dependency.

Elderly Family. A family whose head or spouse or whose sole member is at least 62 years of age, or disabled as defined above, or handicapped as defined below, and may include two or more elderly, disabled or handicapped persons living together, or one or more such persons living with another person who is determined to be essential to his/her care and well being.

Familial Status. A single pregnant woman and individuals in the process of obtaining custody of an individual who has not attained the age of 18 years are considered for occupancy as a family. Therefore, these families may be eligible for a larger unit and his/her income eligibility will be based on the larger household size.

Family. Two or more persons related by blood, marriage, adoption or who give evidence of a “stable relationship” which has existed over a period of years. With respect to single persons, such definition shall include an elderly family as defined above, or a displaced family as defined above, the remaining member of a tenant family, or single person family as defined below. By definition a family must contain a competent adult of at least 18 years of age to enter into a contract and capable of functioning as the head of household.

There must be some concept of family living together beyond the mere sharing or intention to share housing accommodations by two or more persons to constitute them as a family within the meaning of this policy.

Foster Child(ren). With the prior consent of HABOP a foster child may reside in the dwelling unit. This determination will be based on the following:

- a) Whether the addition of the child will require a larger unit for the family and subsequently lead to a transfer to another unit.
  
- b) The ability to make reasonable accommodations for the handicapped person.

Full-time Student. A person who is carrying a subject load which is considered full-time for day students under the standards and practices of the educational institution.

Grievance Procedure. All Tenants are afforded the rights under the grievance policy of HABOP. The grievance policy and procedures are incorporated into this document by reference and is a guideline to be used for grievances and appeals.

Handicapped Person. A person having a physical or mental impairment which 1) is expected to be of longstanding and indefinite duration, 2) substantially impedes his/her ability to live independently, and 3) is of such nature that such ability could be improved by more suitable housing conditions.

Hazardous Duty Pay. Pay to a family member in the Armed Services that is away from his primary residence and in a hostile situation. The pay received for this duty is not included in the total family income.

Head of Household. The adult family member who is held responsible and accountable for the family.

Live-In Aide. A person who resides with an elderly, disabled or handicapped person(s) and who:

- a) Is determined by HABOP to be essential to the care and well being of the person(s).
  
- b) Would not be allowed to live in the unit except to provide support for the person(s). The income of the live-in aide is not included in the family income.
  
- c) Is not obligated for support of the person(s).

Lower Income Family. A family whose annual income does not exceed 80% of the median income for the area as determined by HUD with adjustments for family size. HUD may establish income limits higher or lower than 80% of median income for the areas on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

Minimum Rent. Families assisted under the public housing program shall pay a monthly minimum rent of not more than \$50.00 per month. HABOP has the discretion to establish the minimum rent from \$0 up to \$50.00. The minimum rent established by this housing authority is \$50.00.

Minor. A person, other than the head of household or spouse, under 18 years of age.

Mixed Family. A household whose members comprise of those with United States Citizenship or eligible immigration status and those without citizenship or eligible immigration status. HABOP cannot support or financially assist those individuals without citizenship or eligible immigration status.

NonCitizen. A person who is neither a United States Citizen nor a national of the United State.

Recertification. Recertification is to reexamine documentation that indicates that Tenants meet continued occupancy standards and to determine his/her income for the purposes of calculating rent.

Reexamination Date. The date on which any rent change is effective or would be effective if required as a result of the annual re-examination of eligibility and rent.

Remaining Member of Tenant Family. The person(s) of legal age remaining in the public housing unit after the person(s) who signed the lease has (have) left the premises, other than by eviction, who may or may not normally qualify for assistance on his/her own circumstances. An individual must occupy the unit to which he/ she claims head of household status for one year before becoming eligible for subsidized housing as a remaining family member. This person must complete the required forms of HABOP within ten (10) days from the departure of the leaseholder and may remain in the unit for a reasonable amount of time pending verification and processing of his/her request. This person must upon satisfactory completion of the verification process then execute a new lease and cure any monetary defects and obligations in order to remain in the unit.

Any person who claims to be a remaining member of the family unit shall, in the event that HABOP declares them to be ineligible for remaining member status, be entitled to a grievance hearing upon notice that he/she will not be considered a remaining member of the household. The grievance procedure will meet all of the guidelines as outlined in the lease and lease attachments. During the interim between the time of the determination that there will be a grievance hearing and the determination of the grievance hearing officer, all rent that was due pursuant to the lease shall be deposited into an escrow account with the Housing Authority. HABOP does not recognize the person as a Tenant by giving him or her the opportunity for a grievance hearing. A remaining member shall not be considered to be a Tenant until such time as the Authority executes a new lease and the person granted Tenant status after verification of all income and other related information.

Serviceman/woman. A person currently in the active military service of the United States.

Single Person. A person living alone or intending to live alone and who does not qualify as an elderly family, disabled person, or the remaining member of a tenant family. (No PHA may admit single persons to any housing assisted under the Act without an authorization by HUD as provided in 24CFR Section 812.3.)

Spouse. The husband or wife of the head of household.

Veteran. A person who has served in the active military or naval service of the United States at any time as the President of the United States shall determine, and who has been discharged or released therefrom under conditions other than dishonorable.

## **15.0 INCOME DEFINITIONS**

For the purpose of calculating and determining rent, the following definitions are provided:

Adjusted Income. Annual income less: a) \$480 for each dependent, b) \$400 for any elderly family, c) medical expenses in excess of 3% of annual income for elderly family and d) child care expenses while a head of household or spouse is employed or attending school.

Ceiling Rent. A maximum rent to be charged on a dwelling unit irrespective of the income of the family residing within the unit. This shall be established in accordance with HUD regulations and approved by the Board of Commissioners. This shall encourage mixed income developments and working families to reside in public housing.

Childcare Expenses. Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which the annual income is computed, but only where such care is necessary to enable a family member to be gainfully employed, to further his/her education, or actively seek employment. The amount deducted shall reflect reasonable charges for childcare, and in the case of childcare necessary to permit employment, the amount deducted may not exceed the amount of income received from such employment. HABOP will not normally allow childcare deductions when the family has an additional unemployed adult member who is physically capable of caring for the child(ren).

If the total annual income less the above noted deductions results in a rent payment that is less than the established minimum rent standard, the Tenant's rent shall be the approved housing authority's minimum rent.

Contract Rent. The rent charged a tenant for the use of the dwelling unit and equipment such as range and refrigerator, but not including furniture, and reasonable amounts for utilities determined in accordance with the Authority's schedule of utility allowances deducted from

Gross Rent. If the allowances exceed the Gross Rent the Authority will give the tenant a credit equal to the amount by which the allowance exceeds the Gross Rent.

Exclusions from Total Family Income. Temporary, nonrecurring or sporadic income defined as follows:

- a) Casual, sporadic and irregular gifts and amounts which are specifically received for, or are a reimbursement of, the cost of illness or medical care.
- b) Lump-sum additions to family assets such as, but not necessarily limited to, inheritances, insurance payments, worker's compensation, capital gains, and settlements for personal or property losses.
- c) Amounts of education scholarships paid directly to the student or the educational institution and amounts paid by the United States Government to a veteran for use in meeting the cost of tuition, fees, books, to the extent that such amounts are so used. Any amounts of such scholarships or payments to veterans not used for the above purpose that are available for subsistence are to be included in income, as well as the hazardous duty pay to a family member in the Armed Forces away from home and exposed to hostile fire.
- d) Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
- e) The value of the coupon allotments for the purchase of food in excess of the amount actually charged an eligible household pursuant to the Food Stamp Act of 1977.
- f) Payments received by participants or volunteers in programs pursuant to the Domestic Volunteer Service Act of 1973.
- g) Payments received by participants in other publicly assisted programs as reimbursement for out-of-pocket expenses incurred, e.g. special equipment, clothing, transportation, reimbursement for child care, etc. which are solely to allow participation in a specific program and cannot be used for other purposes.
- h) Income of a live-in aide as defined above.
- i) Income from employment of children (including foster children) under the age of 18 years.
- j) Payments received for the care of foster children.



- k) Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the 1937 Act.
- l) Payments received from the Job Training Partnership Act.
- m) Payments from Programs under Title V of the Older Americans Act of 1965.
- n) Payments received under the Alaska Native Claims Settlement Act.
- o) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes.
- p) Income derived from the disposition of funds of the Grand River band of Ottawa Indians.
- q) The first \$2,000 of per capita shares received from judgment funds awarded by the Indians Claims Commission or the Court of Claims or from funds held in trust for an Indian tribe by the Secretary of the Interior.
- r) Payments or allowances made under the Department of Health and Human Services for Low Income Home Energy Assistance Program.
- s) Reparation payments made by foreign governments in connection with the Holocaust.
- t) Amounts received under training programs funded by HUD.
- u) Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because he/she are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- v) Amounts received by participants in other publicly assisted programs which are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.
- w) For taxable years after December 31, 1990, the earned income tax credit refund. Effective Date: July 25, 1994.
- x) The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the U.S. Housing Act of 1937, or any comparable Federal, State, or local law during the exclusion period. For purposes of this paragraph, the following definitions apply:

Comparable Federal, State or Local Law means a program providing employment training and supportive services that:

- Are authorized by a federal, state or local law; Are funded by federal, state or local government; Are operated or administered by a public agency; Has as its objective to assist participants in acquiring job skills.

Exclusion period means the period during which the resident participates in a program described in this section, plus 18 months from the date the resident begins the first job acquired by the resident after completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937. If the resident is terminated from employment without good cause, the exclusion period shall end. Earnings and benefits mean the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job. This provision does not apply to residents participating in the Family Self-Sufficiency Program who are utilizing the escrow account. Also, residents are required to pay the appropriate minimum rent.

- y) A resident service stipend, not to exceed \$200 per month, received by a public housing resident for performing a service for the HA, on a part-time basis, that enhances the quality of life in public housing. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No Resident may receive more than one such stipend during the same period of time.
- z) Compensation from State or local employment training programs and training of a family member as resident Management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance by the HA.
- aa) For all initial determinations and reexaminations of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
- bb) Earning in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse).
- cc) Adoption assistance payments in excess of \$480 per adopted child.
- dd) Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment received on or after October 28, 1992.

- ee) Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- ff) Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

Gross Income. Total income as defined in “Total Family Income” above.

Gross Rent. Contract rent plus the amount of any applicable allowance for tenant-supplied utilities.

Monthly Adjusted Income. Adjusted income divided by 12.

Monthly Income. Annual gross income divided by 12.

Net Family Assets. Value of equity in real property, savings, stocks, bonds and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD home ownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.) In determining net family assets, the Authority shall include the value of any assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or recertification, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

Public Housing Agency. Any state, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development or operation of housing for lower income families.

Rent Burden. May be used for the purpose of determining a preference. Applicants must be paying more than 50% of his/her monthly income for rent for at least 90 days.

Substandard Housing. The HUD definition now specifically includes as homeless, participants in transitional housing programs.

Tenant Rent. The amount payable monthly by the household as rent to the Authority. Where the Authority supplies all utilities (except telephone) and other essential housing services, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone) and other

essential housing services are not supplied by the Authority and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less Utility Allowances.

Total Family Income. Income anticipated to be received during the 12 months following admission or recertification. Income from all sources from 1) the head of household and/or spouse and 2) each additional household member who is at least 18 years of age, excluding full-time student income, income which is temporary, non-recurring or sporadic as defined below. Total family income should include that portion of the income of the head of household or spouse temporarily absent which, in the determination of the Authority, is available to meet the family's needs. Total family income includes, but is not limited to the following:

- a) The full amount, before any payroll deductions, of wages and salaries, including compensation for personal services such as commissions, fees, tips, bonuses, and cash payments.
- b) Net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine net income from a business.
- c) Interest, dividends, and net income of any kind of real or personal property. Where the family has net assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net assets or a percentage of the value of such assets based on the current rate as determined by HUD.
- d) The full amount received from annuities, periodic payments from insurance policies, retirement income, pensions, periodic benefits for disability or death and other similar types of periodic receipts.
- e) Payments in lieu of earnings, such as unemployment and disability compensation, social security benefits, worker's compensation and termination wages.
- f) Welfare assistance payments.
- g) Periodic and determinable allowances, such as alimony, child support and regular contributions or gifts, including amounts received from any persons not residing in the dwelling unit.
- h) All regular pay, special payments and allowances, such as longevity, overseas duty, rental allowances, allowances for dependents, etc. received by a member of the Armed Forces, with the exception of hazardous duty pay.
- i) Payments to head of household for the support of a minor, or payments nominally to a minor for his/her support, but control for his/her benefit by the head of household or a resident family member other than the head, who is responsible for his/her support.

- j) Veterans Administration compensation (Service connected disability or death benefits)
- k) Any earned income tax credit to the extent it exceeds income tax liability.

All income is to be annualized if information received is for less than a 12-month basis. It is important to note that changes in family composition and or income must be reported to the Authority within ten (10) days. Failure to do so may result in eviction proceedings. In the case on income adjustments all back rent due and owing will be due within fourteen (14) days from the date the Authority formally notifies the Tenant of the amount due, unless a written payment agreement between the tenant and the Housing Authority exists..

Total Tenant Payment (TTP). This amount is the family must pay per month. It may be either the minimum rent of \$ 50.00 or:

- a) For the public housing program, the TTP must be the greater of
  - (1) 30 percent of family monthly adjusted income;
  - (2) 10 percent of family monthly income;
  - (3) \$ 50.00 which is the minimum rent set by the Housing Authority, or
- b) The ceiling rent. The resident may elect the ceiling rent in lieu of the rent calculated in paragraph "a" above.

It is possible for the Tenant to qualify for a utility reimbursement despite the requirement of a minimum rent. If the utility allowance were greater than the minimum rent, the utility company would be reimbursed the amount of the tenant credit.

Unreported Income. If a tenant fails to report income the tenancy will be terminated under the terms of the lease and in accordance with the New Jersey State Statutes. If the act is determined by the Authority to be intentional, the Tenant will be obligated to pay the applicable portion of the rent for any and all unreported income, and may be prosecuted. If the unreported income was unintentional the Authority may approve a repayment agreement which stipulates the schedule of repayments, the amount of the payment, and the consequences if a payment is missed.

Utility Allowance. Where the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the Tenant Rent, but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by the Authority or HUD, monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Utility Reimbursement. The amount, if any, by which the Utility Allowance for a unit, if applicable, exceeds the Total Tenant Payment for the household occupying the unit.

Very Low Income Family. A Lower Income Family who's Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for family size. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

Welfare Assistance. Welfare or other payments to families or individuals, based on need, that are made under programs funded separately or jointly, by federal, state or local governments.

**16.0 ATTACHMENTS**

- Exhibit A: Income Limits for Admission
- Exhibit B: Utility Allowances
- Exhibit C: Schedule of Move-Out Charges
- Exhibit D: Ceiling Rent Limits