

CITY OF PADUCAH KENTUCKY

Administrative Plan for 2026 Housing Choice Voucher Program

KY-137



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As Adopted by the Housing Authority Board of Commissioners
Municipal Order :

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INTRODUCTION

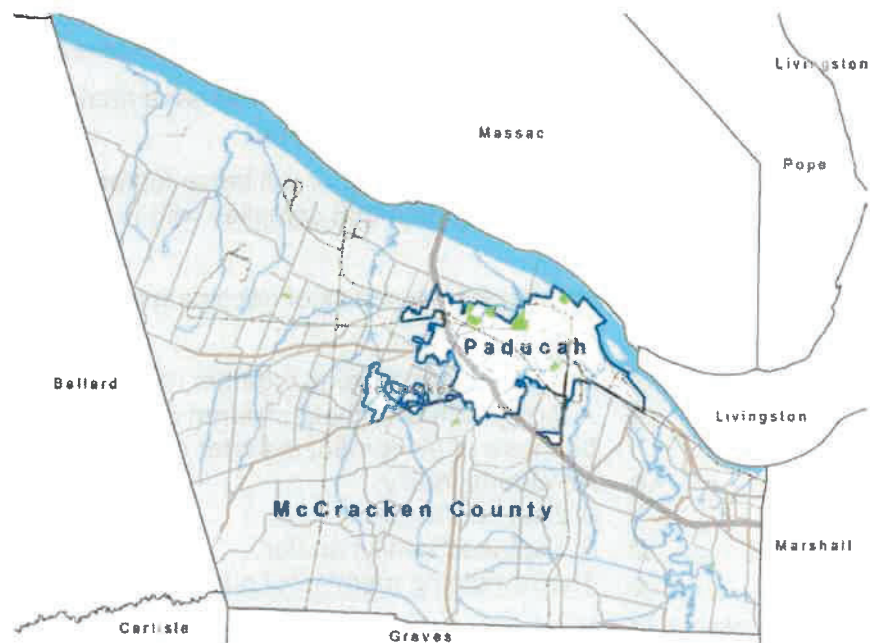
Our goal is to provide in Paducah-McCracken County decent, safe and sanitary rental housing for eligible families and to provide opportunities, promote self-sufficiency and economic independence for Housing Choice Voucher (HCV), also known as Section 8, program participants.

To achieve this mission, we will:

- Recognize residents as our ultimate customer
- Through effective and efficient management
- Seek problem-solving partnerships with residents, landlords, community, and government leadership

The purpose of this administrative plan is to establish guidelines for staff to follow in determining eligibility for Housing Choice Voucher (Section 8) programs. The basic guideline for this plan is governed by the requirements of the U.S. Department of Housing and Urban Development (HUD) with latitude for local policies and procedures. The policies and procedures governing admissions and continued occupancy are outlined in the plan and these requirements are binding upon applicants, residents, landlords and this Public Housing Agency (PHA), known as the Paducah Section 8 Housing office. Notwithstanding the above, changes in applicable federal law or regulations shall supersede provisions in conflict with this policy.

Federal Regulations shall mean those found in Section 24 CFR (Code of Federal Regulations).



Housing Choice Voucher (HCV) Program overview

In the Housing Choice Voucher (Section 8) program, the PHA pays monthly rental subsidies so that eligible families can afford decent, safe, and sanitary housing. HUD provides housing assistance funds to the PHA and funds the PHA to administer the program.

Under the HCV tenant-based program, families select and rent units that meet program housing quality standards (NSPIRE/HQS). If the PHA approves a family's unit and tenancy, the PHA contracts with the owner to make rent subsidy payments (housing assistance payments) (HAP) directly to the owner on behalf of the family, monthly. The family enters a lease with the owner and pays its share of the rent to the owner in accordance with the lease.

The HAP contract between the PHA and the owner covers only a single unit and a specific assisted family. If the family moves out of the leased unit, the HAP contract with the owner terminates. The family may generally move to another unit with continued assistance, so long as the family is complying with program requirements.

Part I. ELIGIBILITY AND OBLIGATIONS

1. Eligibility Determination

The Paducah Section 8 office serves the residents of Paducah-McCracken County, Kentucky and will use a simple pre-application form as suggested by HUD that will enable us to make a preliminary determination of eligibility. Complete applications of eligible families (Family is described as: A person or group of persons, as determined by the Paducah Section 8 Housing office consistent with 24 CFR 5.403, approved to reside in a unit with assistance under the program) will be arranged by date and time of application.

Eligibility Criteria:

A. A qualifying family is described as:

The term "family" includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

1. A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person;
 - a. Otherwise, eligible youth who have attained at least 18 years of age and not more than 24 years of age;
 - b. Has left foster care, or will leave foster care within 90 days, in accordance with a transition plan that complies with the requirements of the Social Security Act; and
 - c. Is homeless or at risk of becoming homeless at age 16 or older; or
2. A group of people residing together, and such group includes, but is not limited to:
 - a. A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 - b. An elderly family;
 - c. A disabled family;
 - d. A displaced family; and/or
 - e. The remaining member of a tenant family.

B. The applicant must be of a very low-income status as established by HUD reflecting **50% of the median income**. Annual income (gross income) is compared to income limits published by the Federal Register.

C. The PHA shall include all income not specifically excluded by HUD in annual income calculations. The PHA will apply imputed returns on assets over \$50,000.

Regulations: 24 CFR §§ 5.609(a)(1)–(a)(2); and 891.105 All amounts received by the head of the household, co-head, or spouse, including the income of a day laborer, independent contractor, and seasonal worker are included in annual income.

D. Regulations: 24 CFR §§ 5.609(a)(1)–(a)(2); and 891.105. Annual income includes all amounts received from all sources by each member of the family who is 18 years of age or order, the head of household, or spouse of the head of household, in addition to the unearned income received by or on behalf of each dependent who is under 18 years of age.

E. Gross income received through self-employment or operation of a business; with the exception of the following which shall be considered income:

- Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in IRS regulations; and

• Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

Note: gross income is the total income that a business brings in and is not reflective of the costs of operating a business or of being self-employed.

All earned income of all children under the age of 18, including foster children.

Earned income in excess of the amount of the deduction for a dependent in § 5.611.

• Deduction is currently \$480* per child. The end result is that all adoption assistance payments will be excluded.

Earned income of dependent full-time students in excess of the amount of the deduction for a dependent.

• Deduction is currently \$480* per dependent. The end result is that these payments will not be counted.

- F. Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member.
- G. Income received from any account under an IRS-recognized retirement plan. However, any distribution of periodic payments from these accounts shall be income at the time they are received by the family. Retirement accounts include:
 - Individual retirement arrangements (IRAs)
 - Employer retirement plans, and
 - Retirement plans for self-employed individual.

INCOME AND INCOME EXCLUSIONS

Income that will not be repeated in the coming year based on information provided by the family. Some examples of non-recurring income include:

- U.S. Census Bureau for employment income (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not resulting in permanent employment.
 - Direct federal or state payments for economic stimulus or recovery.
- State or federal refundable tax credits or state or federal tax refunds received directly at the time they are received directly by the family.
 - Gifts for significant life events or milestones (e.g., holidays, birthdays, wedding gifts, baby showers, anniversaries).
- Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization.
- Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings

Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income, even if the source, date, or amount of the income varies.

- H. Payments related to aid and attendance for veterans under 38 U.S.C. 1521. Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family having a disability.
- I. Civil rights settlements or judgments, including settlements or judgments for back pay.
- J. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- K. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- L. Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (e.g., special equipment, clothing, transportation, child care, etc.) to allow participation in a specific program.
- M. Resident service stipends not to exceed \$200 per month. This is a modest amount provided

to a resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in the development.

- N. Incremental earnings and benefits from training programs funded by HUD or qualifying federal, state, tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. • Excluded amounts must be received under employment training programs with clearly defined goals and objectives and only excluded during participation in the program unless the amounts are excluded as Federal Financial Aid (§ 5.609(b)(9)(i).
- O. Income earned on amounts placed in a family's FSS.
- P. Deferred periodic amounts from: • Supplemental Security Income and Social Security benefits that are received as a lump sum or in prospective monthly amounts, or • Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.
- Q. Refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- R. The net amount disbursed by a lender to a borrower, under the loan terms. Funds may be received by the family or a third party (e.g., educational institution or car dealership).
- S. Replacement housing "gap" payments that offset increased rent and utility costs to families that are displaced from one federally subsidized housing unit and move into another federally subsidized housing unit (49 CFR part 24).
- T. Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (e.g., special equipment, clothing, transportation, child care, etc.) to allow participation in a specific program.
- U. Payments received by tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States. This includes payments from tribal trust settlements. Payments must be excluded from gross income under the Internal Revenue Code or other federal law.
- V. Reparation payments paid by a foreign government for claims by people persecuted during the Nazi era.
- W. Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family having a disability.
- X. Payments related to aid and attendance for veterans under 38 U.S.C. 1521.

HOTMA expands the exclusion to cover all payments by the state Medicaid-managed care system, other state agency, or authorized entity, for caregiving services to enable a family member with a disability to live in the assisted unit.

- No change if the family already received such payment that was excluded from income
- Previous requirement that these payments offset the cost of services or equipment has been eliminated.

- 2. Irrevocable trust or revocable trust outside of family or household control, excluded from the definition of net family assets under § 5.603(b),
 - Distributions of the principal, or corpus, of the trust, and
 - Distributions of income from the trust used to pay the costs of health and medical care expenses for a minor. Revocable trust or a trust under the control of the family or household: any distributions from the trust are excluded from income.
 - Except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.

3. Selection of Program Participants – Local Preferences

This PHA – Paducah Section 8 Housing office – will utilize the following weighted local preferences in

the classification of families and placement on the waiting list. Priority will be given utilizing a point system and organized on the waiting list by time and date of application in the following order in coordination with the income targeting criteria as follows:

- A. (20 points) Eligible applicants referred by a partnering service organization (PIH Notice 2017-08) who are or have been **victims within the past year** of domestic violence as defined and

outlined by "Violence Against Women and Department of Justice Reauthorization Act of 2005" or current legislation regarding violence against women.

- B. (15 points) Eligible applicants who are currently enrolled or enrolled to be **full-time students** (minimum 12 credit hours per semester) at an institution of higher learning in pursuit of a degree or specialty program and are seeking self-sufficiency.
- C. (10 points) **Federally Declared Disaster Families** or locally displaced by governmental action.
- A family displaced by a federally declared disaster. Housing Choice Voucher participants or Public Housing residents from the disaster area will receive preference over non-assisted disaster families.
- D. (5 points) **Previously assisted eligible families** that have been terminated by the PHA due to reduced federal funding.
- E. (3 points) **Working families** (at least one person employed a minimum of 25 hours per week or receiving an equivalent pay of minimum federal wage times 25 weekly), **disabled or elderly** families and families certified for homeowner assistance.
- F. All other eligible families followed by (G).
- G. Single, non-elderly, non-disabled.

4. Income Targeting Selection Criteria

A minimum of **75% of all new admissions** during any fiscal year will have incomes **at or below 30% of area median income** as established by HUD and published in Federal Register.

5. Eligibility Exceptions (not eligible)

- A. No person owing money to this Agency, or any other federally funded housing program shall be deemed eligible for Section 8 Housing Assistance.
- B. Applicants who were past participants in the Section 8 Program may be determined ineligible if it is determined that the applicant either:
 1. Failed to satisfy liability for unpaid rent or damages.
 2. Vacated the unit in violation of their lease.
 3. Failed to promptly and/or honestly supply information relating to income, allowable deductions, and family compensations.
 4. Intentionally and willfully abused the program.
 5. Was abusive or threatening to Section 8 workers.
- C. In determining whether an applicant shall be determined ineligible and in determining the length of the ineligibility, the Program Administrator shall consider factors such as:
 1. The seriousness of the offense.
 2. The applicant's current attitude.
 3. The length and time that has lapsed since the offense.
- D. Applicants and current Section 8 participants will be **deemed ineligible for Rental Assistance because of family members that engage in drug-related criminal activities** on or off the premises.
- E. This Agency will deny or terminate assistance based on the following:
 1. The **felonious manufacture, sale or distribution or the possession** with intent to manufacture, sell or distribute of a controlled substance [as defined in Section 102 of the Controlled Substance Act (21U.S.C. 802)]
 2. The **felonious use or possession of a controlled substance**.
 3. **Illegal drug use** or pattern of illegal drug use that may interfere with the safety or welfare of other tenants.
 4. **Abuse of alcohol** or pattern of such abuse may interfere with the safety or welfare of other tenants.
 5. **Violent criminal activity** includes any felonious criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another. Felonious is described as criminal activity classified as a felony under Federal, State or Local Laws.
 6. Any criminal activity that threatens the safety or welfare of other residents.
 7. **Manufacture or producing of methamphetamine (will receive a lifetime ban)**
 8. Family members fleeing to avoid prosecution or custody or confinement after conviction for a felony or high misdemeanor.
 9. **Sex offenders** subject to a lifetime sex offender registration.

6. Considerations in Denials and Termination-

- A. This Agency, Paducah Section 8 office, will deny or terminate assistance if the preponderance of the evidence indicates that a Family member has engaged in such activity regardless of whether the Family member has been arrested or convicted.
- B. This Agency will consider all circumstances in each case i.e., seriousness of offense, extent of Family member participation, effects of denial or termination on other Family members, etc.
- C. This Agency shall give the applicant or participant an opportunity for an informal hearing procedure.
- D. This Agency will deny assistance to applicants who have been evicted from public housing or terminated from assisted housing within the past 3 years for drug related activities, except for the manufacture or producing of methamphetamine on the premise of the assisted unit which will permanently deny eligibility for assisted housing.
- E. The PHA shall require all applicants and participants to sign the HUD 9886-A consent form. Failure to sign will result in denial of or termination of assistance.
- F. The PHA will notify applicant and provide the applicant and the subject of the record with the copy of the criminal record (at no cost) to dispute the accuracy and relevance of the record before sending a written denial letter.

7. Criminal Background Checks and Consent HUD 9886/HUD-9887

All applicants must sign the consent form at admission, and participants must sign the consent form no later than their next interim or regularly scheduled income reexamination. PHA will require family members to sign consent forms at annual reexamination.

- ✓ **When any person 18 years or older becomes a member of the family**
- ✓ **When a member of the family turns 18 years of age: and**
- ✓ **As required by HUD or the PHA in administrative instructions**
- The Paducah Section 8 program applicants must consent to the release of records for background checks, including drug related criminal activity and sex offender registry status purposes.
- The Paducah Section 8 program will conduct a criminal background check for program applicants and participants and will be maintained separately and confidentially from other applicant and program participant files.
- The Paducah Section 8 program does not explicitly prohibit basing determinations for program admission, termination of assistance and/or eviction proceeding solely on arrest records.
- The Paducah Section 8 program will conduct background checks for all applicant household members ages 18 and older to obtain criminal history information, including sex offender status from the Commonwealth of Kentucky and for all states in which the members are known to have resided.
 - The Paducah Section 8 program requires that all applicants consent to the release of records for criminal drug or criminal drug production. The PHA will conduct a similar background check for drug related criminal offenses including the manufacturing of methamphetamine. The criminal background information will not be misused or improperly disseminated, and the documentation will be properly destroyed at the appropriate time.
- ✓ The owner may conduct a criminal background check for a family who requests tenancy at one of their units. The PHA has no liability or responsibility to the owner for the family's behavior or suitability for tenancy. The PHA may opt to conduct additional screening to determine whether

an applicant is likely to be a suitable tenant. The PHA may deny an applicant based on failure to meet

the suitability screening criteria.

- ✓ The owner is responsible for screening and selection of the family to occupy the owner's unit.
- ✓ The PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner.

8. Citizenship and Eligible Immigration Status

Paducah Section 8 Housing office will obtain and verify evidence of citizenship and eligible immigration status as required by HUD regulations implementing statutory restrictions on assisted occupancy by certain noncitizens.

9. Verifying Income and Determining & Gross Family Contribution

A. Paducah Section 8 Housing office will verify income and gross family contribution as follows:

1. PIH Enterprise Income Verification System (EIV) to be utilized per HUD regulations in 24CFR 5.233¹

- a. The PHA shall use the EIV system for regular income and employment verifications. The PHA will not use EIV for interim reexaminations.

- b. The PHA shall apply updated rules for assets under/over \$50,000 and assets disposed of below market value. The PHA will include anticipated earnings using specified HUD formulas.

2. Third party verification

3. Review documents

4. Notarized statements and/or self-declaration of attributed income

B. Assets up to \$50,000.00 may be self-verified with a self-declaration statement. The PHA will obtain third-party verification at least every three years or when a change triggers reexamination.

C. VASH participant's income may be verified by the Housing Inquiry statement (HINQ) as provided by our partner VA office.

D. Every calculation will be checked by another staff member and spot checked by the Administrator at random intervals.

E. The PHA shall apply updated definitions for earned and unearned income, family, dependent, day laborer, independent contractor, foster children/adults, minor, and other key terms.

10. Social Security and Supplemental Security Income Verification

Paducah Section 8 Housing office will require verification of SS and SSI income from each applicable participant and applicant by the provision of documents that indicate benefit amounts.

Upon receipt of SS/SSI Benefit History Report from HUD, we will review the applicable tenant income history and notify the tenant of any discrepancy found that would adversely affect the amount of housing assistance provided. The tenant will be given an opportunity to contest the findings through the normal informal hearing process.

¹ As per Notice PIH 2018-18 Use of EIV system

If after verifying that tenant received excessive housing assistance by not reporting all their income, the Paducah Section 8 Housing office will use various enforcement actions depending on the cost and benefits of the technique selected. Options selected include, but are not limited to:

- Immediate Restitution
- Repayment Agreement
- Retroactive Rent
- Garnishment of Wages
- Prosecution
- Termination of Assistance

The Paducah Section 8 Housing office will use a confessed judgment note when immediate restitution or repayment agreement action is instituted.

All Tenant Income Discrepancy Reports used as a control for recording resolution of SS/SSI income differences will be maintained for two years and destroyed.

The PHA shall correct any income determination errors exceeding the HUD de minimis threshold. The PHA will notify families within 30 days of discovery and will issue appropriate rent adjustments.

11. Family Obligations

The family shall:

- ✓ Notify the Paducah Section 8 Housing office BEFORE vacating the dwelling unit.
- ✓ Supply such certification, release information or documentation as PHA or HUD determines to be necessary in the administration of the program including use by the PHA for a regularly scheduled re-examination of family income and composition in accordance with HUD requirements.
- ✓ Allow the Paducah Section 8 Housing office to inspect the dwelling unit at reasonable times and after reasonable notice.
- ✓ Use the dwelling unit solely for a residence by the family, and as the family's principal place of residence.
- ✓ REPORT ANY CHANGES of family composition, increases or decreases in health care and medical (elderly) or childcare expenses, increases or decreases in family income.
- ✓ The PHA shall limit adult visitors to 14 days/year and child visitors to 90 days/year. The PHA will require prior approval for extended visitors.

The family shall not:

- ✗ Own or have any interest in the dwelling unit (other than in a manufactured home assisted under regulations or a member of a cooperative). PHA will restrict the eligibility of a family to receive assistance if the family owns real property or has assets more than \$100,000, as adjusted in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers.
- ✗ Assign the lease or transfer the unit.
- ✗ Commit any fraud in connection with the Section 8 Housing Program.
- ✗ Receive assistance under the Section 8 Housing Program while occupying or receiving assistance for occupancy of another unit assisted under any Federal Housing Assistance Program (including any other Section 8 Program).

12. Interim Adjustments

PHA will perform an interim reexamination only due to an increase in the family's adjusted income (24 CFR §§ 5.657(c)(3); 882.515(b)(3); 891.410(g)(2); 891.610(g)(2); 960.257(b)(3); and 982.516(c)(3)). PHA will continue to perform zero income reviews and will update local discretionary policies, procedures, and forms to comply with the final rule requirements.

A family may request an interim determination of family income for any change since the last determination. However, the PHA will decline to conduct an interim reexamination of family income if the PHA estimates that the family's adjusted income will decrease by an amount that is less than 10 percent of the family's annual adjusted income.

Families participating in the Housing Choice Voucher Program as well as the Paducah Section 8 Housing office are required to **report any changes** of family composition, increases or decreases in health care and medical (elderly) or childcare expenses, increases or decreases in family income during each contract year as they occur.

The PHA will not utilize the EIV system at each interim adjustment to determine income discrepancies. The tenant is required to reimburse the PHA for the difference between the tenant rent that should have been paid and the tenant rent that was charged.²

² Required by Notice PIH 2018-18 (#16)

13. Family Information Provided to Owners

Paducah Section 8 Housing office will provide the following information to owners (upon request) regarding a prospective tenant:

- The family's current address
- The name and address (if known) of the family's present landlord
- Information known about tenancy's history of family members including documented drug or violent criminal activity by family members.
- Paducah Section 8 Housing office will provide families a statement of policy on the provision of information to owners. The same type of information will be provided to all owners and families.

14. Violence Against Women (VAWA) and Department of Justice Reauthorization Act of 2022

VAWA protections are not only available to women but are available equally to all individuals regardless of sex, gender identity, or sexual orientation. In accordance with Executive Order 13166 (Improving Access to Services for Persons with Limited English Proficiency), the PHA shall make available The Notice of Occupancy Rights and the certification form in multiple languages.

On January 5, 2006, President Bush signed into law the "Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162). The law became effective that same day. In addition to reauthorizing many programs at the Department of Justice, the bill reauthorizes and expands provisions of the Violence Against Women Act (VAWA), which was originally enacted in 1994.

HUD's implementing regulations for VAWA's protections, rights, and responsibilities are codified in [24 CFR part 5, subpart L](#), and related provisions in HUD's program regulations ("HUD's VAWA regulations"). These regulations, as explained in HUD's final rule issued on November 16, 2016 ([81 FR 80724](#)), implement VAWA as amended through VAWA 2013.

The VAWA Reauthorization Act of 2022 (Public Law 103-322) is a bipartisan legislation that renews and updates the Violence Against Women Act, which seeks to prevent and respond to domestic violence, sexual assault, dating violence and stalking. It was signed into law by President Biden on March 15, 2022. It reauthorizes all current VAWA grant programs until 2027 and expands prevention efforts, supports, and protects survivors, and holds perpetrators accountable for their violent actions. It also recognizes the special tribal criminal jurisdiction of participating Tribes over all persons who commit VAWA offenses on tribal lands, including non-Native offenders. It provides new protections to promote housing stability and economic security for victims

The law defines domestic violence as "felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other adult person against a victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction receiving grant monies." Dating violence, sexual assault, and stalking are included in the definition of domestic violence.

The most significant affect the law has on Section 8 participants and applicants for rental assistance is that an individual's status as a victim of domestic violence, dating violence, sexual assault or stalking is NOT an appropriate basis for denial of assisted housing. The new law does NOT change existing eligibility and continuing occupancy requirements.

Domestic Violence victims must still otherwise qualify for admission to and continuing participation in assisted housing programs.

This PHA, Paducah Section 8 office, is committed to these victims, as well as members of their

immediate family, and to compliance with the VAWA law and will expand the applicant preference include victims of dating violence, sexual assault, and stalking. The PHA will require a certification as to the incident(s). See FORM HUD-5382.

This PHA, Paducah Section 8 office, shall keep all information and certification(s) obtained by the PHA about a victim's status confidential. The information will not be entered into any shared database or provided to any related entity. However, the PHA may disclose the information if the victim requests or consents to the disclosure in writing; the information is required for use in termination proceedings related to whether the incident or incidents in question qualify as a serious or repeated violation of the lease or criminal activity directly relating to domestic violence, dating violence or stalking; or is otherwise required by law.

The following offenses are grounds for denial or termination of assistance for applicant/participant:

- a. Criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of the tenancy or occupancy rights, if the tenant or immediate member of the tenant's family is a victim of that domestic violence, dating violence, sexual assault, or stalking;
- b. Notwithstanding subparagraph a above, a PHA or owner under this section may bifurcate a lease under this section, in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant;
- c. Nothing in subparagraph a may be construed to limit the authority of a PHA or owner, when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up;
- d. Nothing in subparagraph a limits any otherwise available authority of a PHA to terminate participant assistance for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the PHA does not subject an individual who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate;
- e. Nothing in paragraph a may be construed to limit the authority of a PHA or owner to terminate the tenancy of any tenant if the PHA or owner can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant's tenancy is not terminated; and
- f. Nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, sexual assault, or stalking.
- g. The PHA shall not terminate or refuse to renew the voucher due to an incident or incidents of actual or threatened domestic violence, dating violence, or stalking. These incidents will not be construed as a serious or repeated violation of the Housing Choice Voucher program by the victim or threatened victim of that violence and will not be good cause for terminating the Voucher of the victim of such violence.

* * * * *

**CERTIFICATION OF DOMESTIC
VIOLENCE, DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING,
AND ALTERNATE
DOCUMENTATION**

**U.S. Department of Housing
and Urban Development**

FORM HUD-5382
OMB APPROVAL NO. 2577-0286
EXP. 06/30/2017

Purpose of Form: The Violence Against Women Act (“VAWA”) protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

Use of This Optional Form: If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

- (1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, “professional”) from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of “domestic violence,” “dating violence,” “sexual assault,” or “stalking” in HUD’s regulations at 24 CFR 5.2003.
- (2) A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency; or
- (3) At the discretion of the housing provider, a statement or other evidence should be provided by the applicant or tenant.

Submission of Documentation: The time to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time to submit the documentation if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

1. Date the written request is received by victim: _____

2. Name of victim: _____

3. Your name: (if different from victim's) _____

4. Name(s) of other family member(s) listed on the lease: _____

5. Residence of victim: _____

6. Name of the accused perpetrator:
(if known and can be safely disclosed) _____

7. Relationship of the accused perpetrator to the victim: _____

8. Date(s) and times(s) of incident(s): (if known)

9. Location of incident(s):

10. In your own words, briefly describe the incident(s):

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature: _____

Date signed: _____

Public Reporting Burden: The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number. FORM HUD-5382 (12/2016)

Part II. HOUSING STANDARDS AND INSPECTIONS (Adoption of NSPIRE see Appendix page 94)

1. NSPIRE & Housing Quality Standards and Inspection Procedures

Each housing unit occupied by an assisted participant under this Program must meet Housing Quality Standards. This will be determined using HUD Inspection Form 52580.

An inspection will be performed on each prospective unit within 30 calendar days following request unless *extenuating circumstances are present. The Paducah Section 8 office shall inspect assisted dwelling units under contract not less than biennially if the unit passed its inspection without a revisit. If the unit has failed an inspection, the Paducah Section 8 office may inspect the unit annually.*

To maximize efficiency and insure an acceptable level of service, the Paducah Section 8 office may assign inspections to be conducted by staff or a contracted inspector that is trained to conduct such inspections in accordance with NSPIRE/HQS.

It is the intent of this Agency to assure that each unit meets performance and acceptability requirements to meet the requirement of decent, safe, and sanitary housing. This will be achieved by adhering to quality control guidelines set forth in HUD Inspection Manual and following inspection procedures:

The Inspector receives a request for inspection from the Paducah Section 8 office. The inspection request might be for:

A. Pre-lease inspection.

The Program Administrator may have a tenant who has a unit that is questionable under the Section 8 Program and may want a pre-lease inspection made. The Program Administrator will make an appointment with the tenant and landlord to conduct a pre-lease inspection using the Housing Quality Standards.

The Section 8 Program Administrator and Inspector must follow the Housing Quality Standards with special regard to the plumbing and electrical systems. When inspecting a unit, the Inspector will look beyond the obvious new cosmetic remodeling. A unit may look clean and nicely decorated but presents subliminal health and safety guards.

B. Initial Inspections.

The Program Administrator or Inspector fills in the initial information on the inspection sheet and contacts the tenant to schedule the inspection. The Housing Quality Standards and local codes must be met to insure the unit is decent, safe, and sanitary.

While conducting the inspection it is the responsibility of the Inspector to note the unit's present condition listing any deficiencies that need correction.

After the inspection is completed, the unit will be classified as one of the following:

1. Approved.
2. Conditionally Approved, contingent upon repairing the identified deficiencies within a specified time.
3. Unapproved.

C. Re-exam Inspection.

Paducah Section 8 Housing office will conduct an inspection of a client's unit to determine that the dwelling continues to meet the approved standards. When a tenant is up for a re-examination inspection, the Paducah Section 8 Housing office will notify the resident and landlord to schedule an inspection. The procedure for this inspection uses the same guidelines as an Initial Inspection.

D. Follow-up Inspection.

If a unit has been inspected and is conditionally approved, contingent upon seasonal repairs (e.g. painting exterior of unit in adverse weather conditions), the landlord is given a due date in which to complete the identified deficiencies.

After the repair due date has expired, a follow-up inspection is made. If the repairs have been completed and are acceptable, the Inspector will classify the unit as approved. If the repairs are in progress, an extension of time may be given at the discretion of the Inspector. The Inspector will consider the degree of progress and the quality of the work at that point.

If repairs have not been initiated, the owner will be in Violation of their Contract with Paducah Section 8 Housing office and will be notified of the termination of Contract. The resident will be issued another Voucher to find housing elsewhere within 60 days.

E. Move-Out Inspections.

When a tenant leaves a unit that is under Contract with the Paducah Section 8 Housing office, whether it is due to transfer to another unit, termination of the lease, skip out, or an eviction, an optional move-out inspection may be requested by the landlord or tenant. The Paducah Section 8 office will write-up the inspection sheet and contact the tenant and/or landlord to schedule the inspection. The inspector will conduct the inspection. Notations are made on the move-out form and compared to the HUD Inspection Booklet, the Program Administrator's move-in sheet, and any follow-up comments in the tenant's file. This comparison guards against tenants being charged for any damage that was incurred from previous occupants.

The Section 8 Program Administrator and Inspector after each inspection make copies of the report for the Section 8 file, the tenant file, and for the landlord records. In cases where the units are acceptable contingent upon repairs, a cover letter including the tenant's name, the due date for completion of repairs and the Program Administrator's and Inspector's names are attached to the landlord's inspection report. The lease is negotiated while the deficiencies are being repaired.

When a unit is declared unacceptable, the Program Administrator and the Inspectors determine structural and/or major repairs that are required to make the unit decent, safe, and sanitary. The unit must comply with the Housing Quality Standards before the lease and contract can be negotiated.

2. NSPIRE/Housing Quality Standards (Approval of Unit Size Family Selects)

- A. Unit must provide adequate space and security for the family (minimum standards).
- B. Unit must contain a living room, kitchen area, and a bathroom.
- C. Must be at least one bedroom or living/sleeping room of appropriate size for each two persons.
- D. A single parent with a child under the age of six (6) may share the same bedroom.
- E. Exterior doors and windows accessible from the outside must be lockable.
- F. PHA may not prohibit families from renting units with fewer bedrooms than number on Voucher as long as it meets regular NSPIRS/HQS requirements.

3. Unit Size Selection by Family

Voucher holders may select a **larger** unit than listed on the voucher; however.

- a. Family subsidy will be based on the applicable payment standard for which the family is eligible, not to exceed a tenant payment greater than 40% of the tenant's adjusted income.
- b. Utility allowance is given for the actual unit size selected.

Vouchers may select **smaller** unit than listed on voucher.

- a. Unit must meet NSPIRE/HQS space standards.
- b. Subsidies would be based on unit size for which the family is eligible.

- c. Utility allowance is given for the actual unit size selected.

4. Occupancy Standards

- A. **Policies and procedures of the PHA:** Applications will be taken, and eligibility determined by Paducah Section 8 Housing office, following notices through the news media of the availability of housing assistance for eligible families. Applications will be processed on a first-come, first-serve basis following selection procedures (see Section 3) without regard to age, race, color, national origin, religion, sex, familial status, disability, sexual orientation, or gender identity.

Eligibility will be certified to families in conformance with the following:

Standards Used to Issue Housing Choice Vouchers		
Certification Size	Minimum	Maximum
0 Bedroom	1 person	1 person
1 Bedroom	1 person	2 people
2 Bedrooms	2 people	4 people
3 Bedrooms	4 people	6 people
4 Bedrooms	6 people	8 people

Standards Used to Determine Acceptability of Unit Size	
Unit Size	Minimum Occupancy Assuming Living Room Used as Living/Sleeping Area
0 Bedroom	1 person
1 Bedroom	4 people
2 Bedrooms	6 people
3 Bedrooms	8 people
4 Bedrooms	10 people

- B. **Occupancy Standards Exceptions:** Applicants may be given an exception to the established occupancy standards if determination is justified by the age, sex, health, disability, or relationship of family members or other individual circumstances. An exception will be considered if the applicant requests in writing stating the reasons and justification for such an exception based on the above factors. The Director of Planning will make the final determination of occupancy exceptions and document each case accordingly.

5. Disapproval of Owner

Paducah Section 8 Housing office will disapprove owner participation based on (1) owner history of failing to terminate tenancy for drug related or violent criminal activity or other threatening activity (2) owner engaging in drug related or violent criminal activity.

6. Annual Re-examinations

All families will be re-examined at least annually to determine if they will continue to receive assistance and to recalculate total tenant payment and assistance payments. The family is required to provide verification of family income, composition, health care and medical expenses (elderly), and unusual expenses.

Any reasonable child-care expenses necessary to enable a member of the family to be employed or to further their education are deducted from income for age 12 and under.

- A family whose eligibility for the child-care expense deduction is ending may receive a hardship exemption to continue receiving a child-care expense deduction in certain circumstances. The hardship exemption and the resulting alternative adjusted income calculation must remain in place for a period of up to 90 days.

The sum of unreimbursed health and medical care and reasonable attendant care and auxiliary expenses that exceed 10 percent of the family's annual income can be deducted from annual income.

PHA may, but is not required, to establish an additional deduction or deductions from a family's annual income. These deductions are also known as "permissive deductions". Families may be eligible for relief under one of two categories; phased-in relief or general relief.

The recalculation of Housing Assistance Payments will be performed following the applicable method of the program. Any increase or decrease in the family's portion of rental payments will be calculated and notice will be sent to the landlord and participant in writing before the effective date of change.

7. Continued Assistance after Family Break-Up

Paducah Section 8 Housing office shall determine which family members will continue to receive assistance after a family break-up. The head of household, spouse or any adult member of the household must notify the Paducah Section 8 Housing office that there has been a family break-up and continued assistance is being requested. The assisted family member making the request must submit the request in writing to the Paducah Section 8 Housing office and request a determination. The request must be made within 10 calendar days of the break-up. The PHA will consider the following factors in making this determination:

Assisted Unit: Whether the assistance should remain with family members remaining in the original assisted unit.

Interest of Family Members: The interest of minor children or of ill, elderly, or disabled family members.

Physical Violence: Whether family members are forced to leave the unit as a result or actual or threatened physical violence against family members by a spouse or other member of the household.

Paducah Section 8 Housing office will issue a determination within 10 calendar days of receipt of the request for a determination. The person requesting the determination may request an Informal Hearing in accordance with the PHA established procedures if they disagree with the determination of the Paducah Section 8 Housing office.

NOTICE - If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the Paducah Section 8 Housing office is bound by the court's determination of which family members continue to receive assistance in the program.

* * * * *

Part III. SPECIAL HOUSING TYPES & STANDARDS

Overview

- A. Special housing types. There are 6 special housing types:
 - Single room occupancy (SRO) housing
 - Congregate housing
 - Group home
 - Shared housing
 - Cooperative (including mutual housing)
 - Manufactured home
- B. PHA choice to offer special housing type. The PHA may permit a family to use any of the following special housing types in accordance with requirements of the program: single room occupancy housing, congregate housing, group home, shared housing, or cooperative housing. In general, the PHA is not required to permit use of any of these special housing types in its program. The PHA must permit use of any special housing type if needed as reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8.
- C. Family choice of housing and housing type. The PHA may not set aside program funding for special housing types, or for a specific special housing type. The family chooses whether to rent housing that qualifies as a special housing type under this subpart, or as any specific special housing type, or to rent other eligible housing in accordance with requirements of the program. The PHA may not restrict the family's freedom to choose among available units in accordance with Sec. 982.353.
- D. Applicability of requirements. Except as modified by this section, requirements in the other sections of this plan apply to the special housing types. Provisions in this section only apply to that specific special housing type. The housing type is noted in the title of each section.

1. Single Room Occupancy (SRO) [Sec. 982.602]

A single person may only reside in an SRO housing unit. The SRO housing unit may only be used if:

- HUD determines there is significant demand for SRO units in the area;
- The PHA approves providing assistance for SRO housing under the program; and
- The PHA certifies to HUD that the property meets applicable local health and safety standards for SRO housing.

For SRO housing, there is a separate lease and HAP contract for each assisted person.

Payment standard. For a person residing in SRO housing, the payment standard is 75 percent of the zero-bedroom payment standard amount on the PHA payment standard schedule. For a person residing in SRO housing in an exception area, the payment standard is 75 percent of the HUD-approved zero-bedroom exception payment standard amount.

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero-bedroom utility allowance.

NSPIRE/HQS standards for SRO. The NSPIRE/HQS in this plan applies to SRO housing. However, the standards in this section apply in place of the sanitary facilities, food preparation and refuse disposal, and space and security standards. Since the SRO units will not house children, the housing quality standards concerning lead-based paint do not apply to SRO housing.

SRO Performance requirements. SRO housing is subject to the additional performance requirements for sanitary facilities, space and security, access, and sprinkler system standards below.

Sanitary facilities in an SRO, and space and security characteristics must meet local code standards for SRO housing. In the absence of applicable local code standards for SRO housing, the following standards apply:

- At least one flush toilet that can be used in privacy, lavatory basin, and bathtub or shower, in proper operating condition, must be supplied for each six persons or fewer residing in the overall SRO housing.
- If SRO units are leased only to males, flush urinals may be substituted for not more than one-half the required number of flush toilets. However, there must be at least one flush toilet in the building.
- Every lavatory basin and bathtub or shower must always be supplied with an adequate quantity of hot and cold running water.
- All these facilities must be in proper operating condition and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.
- Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them. These facilities may not be located more than one floor above or below the SRO unit. Sanitary facilities may not be located below grade unless the SRO units are located on that level.

Space and security requirements in an SRO.

- No more than one person may reside in an SRO unit.
- An SRO unit must contain at least one hundred ten square feet of floor space.
- An SRO unit must contain at least four-square feet of closet space for each resident (with an unobstructed height of at least five feet). If there is less closet space, space equal to the amount of the deficiency must be subtracted from the area of the habitable room space when determining the amount of floor space in the SRO unit. The SRO unit must contain at least one hundred ten square feet of remaining floor space after subtracting the amount of the deficiency in minimum closet space.
- Exterior doors and windows accessible from outside an SRO unit must be lockable.

Access requirements in an SRO.

- Access doors to an SRO unit must have locks for privacy in proper operating condition.
- An SRO unit must have immediate access to two or more approved means of exit, appropriately marked, leading to safe and open space at ground level, and any means of exit required by State and local law.
- The resident must be able to access an SRO unit without passing through any other unit.

Sprinkler system requirements in an SRO.

A sprinkler system that protects all major spaces, hard wired smoke detectors, and such other fire and safety improvements as State or local law may require must be installed in each building. The term "major spaces" means hallways, large common areas, and other areas specified in local fire, building, or safety codes.

2. Congregate Housing [Sec. 982.606 of 24 CFR 982]

An elderly person or a person with disabilities may reside in a congregate housing unit. However, if approved by the PHA, a family member or live-in aide may reside with the elderly person or person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Additional standards apply concerning occupancy by a live-in aide.

For congregate housing, there is a separate lease and HAP contract for each assisted family.

Rent and housing assistance payment.

Without a live-in aide:

- For a family residing in congregate housing, the payment standard is the zero-bedroom payment standard amount on the PHA payment standard schedule. For a family residing in congregate housing in an exception area, the payment standard is the HUD-approved zero-bedroom exception payment standard amount.
- However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family residing in congregate housing is the one-bedroom payment standard amount.

With a live-in aide, the live-in aide must be counted in determining the family unit size.

NSPIRE/Housing quality standards for congregate housing. Sec. 982.609

The NSPIRE/HQS in this plan applies to congregate housing. However, the standards in this section apply in place of the food preparation and refuse disposal standards. Congregate housing is not subject to the NSPIRE/HQS acceptability requirement that the dwelling unit must have a kitchen area.

Food preparation and refuse disposal: Additional performance requirements. The following additional performance requirements apply to congregate housing:

- a. The unit must contain a refrigerator of appropriate size.
- b. There must be central kitchen and dining facilities on the premises. These facilities:
 - ✓ Must be located within the premises, and accessible to the residents;
 - ✓ Must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner;
 - ✓ Must be used to provide a food service that is provided for the residents, and that is not provided by the residents; and (iv) Must be for the primary use of residents of the congregate units and be sufficient to accommodate the residents.
- c. There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.

3. Group Home [Sec. 982.610]

An elderly person or a person with disabilities may reside in a State-approved group home.

- (a) If approved by the PHA, a live-in aide may reside with a person with disabilities.
- (b) The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with additional standards concerning occupancy by a live-in aide.

Except for a live-in aide, all residents of a group home, whether assisted or unassisted, must be elderly persons or persons with disabilities.

Persons residing in a group home must not require continual medical or nursing care.

Persons who are not assisted under the tenant-based program may reside in a group home.

No more than 12 persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

For assistance in a group home, there is a separate HAP contract and lease for each assisted person.

A group home must be licensed, certified, or otherwise approved in writing by the State (e.g., Department of Human Resources, Mental Health, Retardation, or Social Services) as a group home for elderly persons or persons with disabilities.

Rent and housing assistance payment.

Meaning of pro-rata portion. For a group home, the term "pro-rata portion," means the ratio derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any PHA-approved live-in aide.

Rent to owner: Reasonable rent limit. The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with Sec. 982.503. In determining reasonable rent for the group home, the Paducah Section 8 Housing office must consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private facilities.

Unless there is a live-in aide, the family unit size is zero or one bedroom.

If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of:

- The payment standard for the family unit size; or
- The pro-rata portion of the payment standard for the group home size.

Over-FMR tenancy: Payment standard. For an over-FMR tenancy, the payment standard for a person who resides in a group home is the lower of:

- The FMR/exception rent limit for the family unit size; or
- The pro-rata portion of the FMR/exception rent limit for the group home size.

Utility allowance in a Group Home. The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

Housing quality standards in a Group Home. Sec. 982.614

Compliance with NSPIRE/HQS. The Paducah Section 8 Housing office may not give approval to reside in a group home unless the unit, including the portion of the unit available for use by the assisted person under the lease, meets the following housing quality standards.

The NSPIRE/HQS in this plan apply to apply to assistance in a group home. However, the standards in this section apply in place of the sanitary facilities, food preparation and refuse disposal, space and security, structure and materials, and site and neighborhood.

The entire unit must comply with the NSPIRE/HQS.

Group Home performance requirements. Group home housing is subject to the additional performance requirements for sanitary facilities, food preparation and service, space and security, structure and material, and site and neighborhood:

Sanitary facilities in a Group Home

- There must be a bathroom in the unit. The unit must contain, and an assisted resident must have ready access to:
 - A flush toilet that can be used in privacy
 - A fixed basin with hot and cold running water; and
 - A shower or bathtub with hot and cold running water.

- All of these facilities must be in proper operating condition and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.
- The unit may contain private or common sanitary facilities. However, the facilities must be sufficient in number so that they need not be shared by more than four residents of the group home.
- Sanitary facilities in the group home must be readily accessible to and usable by residents, including persons with disabilities.

Food preparation and service in a Group Home

- The unit must contain a kitchen and a dining area. There must be adequate space to store, prepare, and serve food in a sanitary manner.
- Food preparation and service equipment must be in proper operating condition. The equipment must be adequate for the number of residents in the group home. The unit must contain the following equipment:
 - ✓ A stove or range, and oven;
 - ✓ A refrigerator; and
 - ✓ A kitchen sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.
 - ✓ There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.
- The unit may contain private or common facilities for food preparation and service.
- Space and security.
 - ✓ The unit must provide adequate space and security for the assisted person.
 - ✓ The unit must contain a living room, kitchen, dining area, bathroom, and other appropriate social, recreational or community space. The unit must contain at least one bedroom of appropriate size for each two persons.
 - ✓ Doors and windows that are accessible from outside the unit must be lockable.

Structure and material for a Group Home

- The unit must be structurally sound to avoid any threat to the health and safety of the residents, and to protect the residents from the environment.
- Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, loose surface materials, severe buckling or noticeable movement under walking stress, missing parts or other significant damage. The roof structure must be firm, and the roof must be watertight. The exterior or wall structure and exterior wall surface may not have any serious defects such as serious leaning, buckling, sagging, cracks or large holes, loose siding, or other serious damage. The condition and equipment of interior and exterior stairways, halls, porches, walkways, etc., must not present a danger of tripping or falling. Elevators must be maintained in safe operating condition.
- The group home must be accessible to and usable by a resident with disabilities.

Site and neighborhood for a Group Home.

The site and neighborhood must be reasonably free from disturbing noises and reverberations and other hazards to the health, safety, and general welfare of the residents. The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps, instability, flooding, poor drainage, septic tank back-ups, sewage hazards or mud slides, abnormal air pollution, smoke or dust, excessive noise, vibrations or vehicular traffic, excessive accumulations of trash, vermin or rodent infestation, or fire hazards. The unit must be located in a residential setting.

4. Shared Housing [Sec. 982.615]

Sharing a unit. An assisted family may reside in shared housing. In shared housing, an assisted family shares a unit with the other resident or residents of the unit. The unit may be a house or an apartment.

Who may share a dwelling unit with an assisted family?

- a. If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See Sec. 982.316 concerning occupancy by a live-in-aide.
- b. Other persons who are assisted under the tenant-based program, or other persons who are not assisted under the tenant-based program, may reside in a shared housing unit.
- c. The owner of a shared housing unit may reside in the unit. A resident owner may enter a HAP contract with the PHA. However, housing assistance may not be paid on behalf of the owner. An assisted person may not be related by blood or marriage to a resident owner.

For assistance in a shared housing unit, there is a separate HAP contract and lease for each assisted family.

Rent and housing assistance payment for shared housing - Sec. 982.617

Meaning of pro-rata portion. For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five-bedroom unit, the ratio would be 3/5.

Rent to owner: Reasonable rent.

The rent to the owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit.

- (b) The reasonable rent is determined in accordance with Sec. 982.503.

Maximum subsidy.

Voucher Tenancy: The payment standard is the lower of:

- ✓ The payment standard for the family unit size; or
- ✓ The pro-rata portion of the payment standard for the shared housing unit size.

Live-in aide. If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

Utility allowance for shared housing

The utility allowance for an assisted family residing in shared housing is the prorated portion of the utility allowance for the shared housing unit.

Housing quality standards for shared housing - Sec. 982.618

- Compliance with NSPIRE/HQS. The PHA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.
- Applicable NSPIRE/HQS standards. The NSPIRE/HQS in Sec.982.401 applies to assistance in shared housing. However, the NSPIRE/HQS standards in this section apply in place of Sec. 982.401(d) (space and security).

- Facilities available for families. The facilities available for the use of an assisted family in shared housing under the family's lease must include (whether in the family's private space or in the common space) a living room, sanitary facilities in accordance with Sec. 982.401(b), and food preparation and refuse disposal facilities in accordance with Sec.982.401(c).

Space and security Performance requirements for shared housing

- The entire unit must provide adequate space and security for all its residents (whether assisted or unassisted).
- Each unit must contain private space for each assisted family, plus common space for shared use by the residents of the unit. Common space must be appropriate for shared use by the residents.
- The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family may not be less than the family unit size.
- A zero- or one-bedroom unit may not be used for shared housing.

5. Cooperative Housing [Sec. 982.619]

When cooperative housing may be used. A family may reside in cooperative housing if the PHA determines that:

- ✓ Assistance under the program will help maintain affordability of the cooperative unit for low-income families; and
- ✓ The cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

Rent to owner.

The reasonable rent for a cooperative unit is determined in accordance with Sec. 982.503. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. The carrying charge includes the member's share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose.

Gross rent is the carrying charge plus any utility allowance.

The occupancy agreement/lease and other appropriate documents must provide that the monthly carrying charge is subject to Section 8 limitations on rent to owner.

Housing assistance payment. The amount of the housing assistance payment is determined in accordance with subpart K of this part.

Live-in aide.

If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See Sec. 982.316 concerning occupancy by a live-in aide.

If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

6. Manufactured Home [Sec. 982.620]

Applicability of HUD requirements.

A family may reside in a manufactured home with assistance under the program. The PHA must permit a family to lease a manufactured home and space with assistance under the program. The PHA may provide assistance for a family that owns the manufactured home and leases only the space. The PHA is not required to provide such assistance under the program.

The NSPIRE/HQS in Sec. 982.621 always applies when assistance is provided to a family occupying a manufactured home. Sections 982.622 to 982.624 only apply when assistance is provided to a manufactured homeowner to lease a manufactured home space.

Live-in aide.

- If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide, if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See Sec. 982.316 concerning occupancy by a live-in aide.
- If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

Housing quality standards for a manufactured home - Sec. 982.621

A manufactured home must meet all the NSPIRE/HQS performance requirements and acceptability criteria in Sec. 982.401. A manufactured home also must meet the following requirements:

- (1) Performance requirement. A manufactured home must be placed on the site in a stable manner and must be free from hazards such as sliding or wind damage.
- (2) Acceptability criteria. A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

Space Rental for a manufactured home: Rent to owner - Sec. 982.622

Rent to owner for rental of a manufactured home space includes payment for maintenance and services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the costs of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

Reasonable rent. During the assisted tenancy, the rent to the owner for the manufactured home space may not exceed a reasonable rent as determined in accordance with this section. Section 982.503 is not applicable.

The Paducah Section 8 Housing office may not approve a lease for a manufactured home space until the PHA determines that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the Paducah Section 8 Housing office must determine whether the rent to owner for the manufactured home space is a reasonable rent in comparison to rent for other comparable manufactured home spaces. To make this determination, the PHA must consider the location and size of the space, and any services and maintenance to be provided by the owner in accordance with the lease (without a fee in addition to the rent).

By accepting each monthly housing assistance payment from the Paducah Section 8 Housing office, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the

same manufactured home park or elsewhere. The owner must provide information, as requested by the PHA, on rents charged by the owner for other manufactured home spaces.

Space rental for a manufactured home: Housing assistance payment. Sec. 982.623

Fair market rent. The FMR for a manufactured home space is determined in accordance with 24 CFR 888.113(e). Exceptions do not apply to rental of a manufactured home space.

Housing assistance payment for a manufactured home:

Payment standard. The payment standard is used to calculate the monthly housing assistance payment for a family. The payment standard for a family renting a manufactured home space is the published FMR for rental of a manufactured home space. The amount of the payment standard is determined in accordance with Sec. 982.505(d)(4) and (d)(5).

Subsidy calculation. The amount of the monthly housing assistance payment for a family equals the lesser of paragraphs (c)(2)(1) or (c)(2)(ii) of Sec. 982.623:

An amount obtained by subtracting 30% of the family's monthly adjusted gross income from the sum of:

- (A) The amortization cost;
- (B) The utility allowance; and
- (C) The payment standard.

The monthly gross rent for the manufactured home space minus the minimum rent. The minimum rent is the higher of:

- (A) 10% of monthly income (gross income); or
- (B) A higher minimum rent as required by law.

Amortization cost. The amortization cost may include debt service to amortize costs (other than furniture costs) included in the purchase price of the manufactured home. The debt service includes the payment for principal and interest on the loan. The debt service amount must be reduced by 15% to exclude debt service to amortize the cost of furniture, unless the Paducah Section 8 Housing office determines that furniture was not included in the purchase price.

The amount of the amortization cost is the debt service established at time of application to a lender for financing purchase of the manufactured home if monthly payments are still being made. Any increase in debt service due to refinancing after purchase of the home is not included in the amortization cost

Debt service for set-up charges incurred by a family that relocates its home may be included in the monthly amortization payment made by the family. In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize such charges.

Annual income. In determining a family's annual income, the value of equity in the manufactured home owned by the assisted family, and in which the family resides, is not counted as a family asset.

Space Rental for a manufactured home: Utility allowance schedule. Sec. 982.624

The Paducah Section 8 Housing office must establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances must include a reasonable amount for utility hook-up charges payable by the family if the family actually incurs the expenses because of a move. Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place. Utility allowances for

manufactured home space must not cover costs payable by a family to cover the digging of a well or installation of a septic system.

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Part IV. RENT, UTILITY ALLOWANCE STANDARDS

1. Minimum Rent

The minimum rent required by the Agency is \$50.00. Hardship request may be made in writing by the participant for the following circumstances:

1. if a family has lost eligibility for or is awaiting determination for a federal, state or local assistance program
2. if the family would be subject to eviction as a result of the minimum rent requirement
3. if the income of the family has decreased resulting from changed circumstances, including loss of employment
4. if a family has an increase in expenses resulting from changed circumstances for health and medical care, childcare, transportation, education, or similar situations
5. if a death occurs in the household

When the Paducah Section 8 Housing office grants a waiver of minimum rent due to hardship the participant must re-verify hardship situation each month if situation is of a temporary nature. Long term hardship situation are to be verified at reexamination.

2. Rent Reasonableness - Housing Choice Voucher Program

Under the voucher program, Paducah Section 8 Housing office will provide guidance to the family in securing a unit that is rent reasonable. We will assist the family, if requested, to negotiate a reasonable rent. We may disapprove a lease under the voucher program if the rent causes the tenant payment to exceed 40% of adjusted income or if the rent is not reasonable. Documentation of such will be presented to the owner of said property in an attempt to negotiate a reasonable rent.

Reasonable Rent rates will be ascertained by comparing rent for other comparable unassisted units. To assure reasonable rental rates, Paducah Section 8 office will consider the location, quality, size, unit type, and age of the unit plus any amenities, housing services, maintenance, and utilities to be provided by the owner in accordance with the lease. The PHA will certify and document on a case-by-case basis that the approved rent does not exceed rents charged for comparable unassisted units. The bottom line is that the Paducah Section 8 Housing office will evaluate each unit and ascertain that the rent the assisted family pays is a fair price for the product received. After comparing all applicable data in the Paducah-McCracken County market, the following question will be asked: If you were in the market to lease a unit, would you be willing to spend your own money to lease this unit in this location? If the answer is yes and there is adequate documentation to support the decision, the lease should be approved. If the person performing the rent test cannot support the rent request (including that they believe the unit to be worth the amount requested and their willingness to answer yes to the above question) the lease will not be approved.

3. Security Deposit

The security deposit charged to program participants shall be established by the owner/agent of the rental property not to exceed deposits typically charged in the private market.

4. Payments

All Housing Assistance Payments (HAP) checks on current contracts will be disbursed to the landlord and all utility checks dispersed to the resident by the 5th working day of each month.

5. Payment Standard and FMR

The applicable Payment Standard (PS) for the HCV program shall be established at the HUD published Fair Market Rent (FMR). Payment Standards shall be reviewed each year to determine if the established levels are appropriate to meet the needs of participants based on rent burdens and success rates of assisted families.

If there is a decrease in the payment standard amount during the HAP contract term, the Paducah Section 8 office will continue to use the lower payment standard to calculate the family's HAP beginning at the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard.³

6. Contract Rent Adjustments

Under the Voucher Program, the owner must not increase the rent during the first year of the lease. To increase the rental rate, the owner must give the family and the Paducah Section 8 Housing office written notice at least 60 days before the implementation of the rent increase. The notice must state the new amount and the date the new rental amount is due. Such increases must meet the Rent Reasonableness standard.

7. Utility Allowances

The utility allowance schedule for the Section 8 Program will be reviewed yearly and adjusted accordingly to insure participant affordability. The utility allowance calculation will be based on the size of the families' Housing Choice Voucher issued, not the actual size of unit unless the actual unit size is less.

8. Portability - Voucher Program

Under the voucher program, the participants are entitled to portability of their voucher. Portability will be addressed as follows:

- A. Paducah Section 8 Housing office requires minimum notice of 30 days prior of the tenant's intended vacancy to transfer their certification.
- B. All information concerning the receiving agency must be provided by the participant.
- C. All efforts will be made to exchange certification with the receiving agency.
- D. If the participant is leased, they must fulfill a minimum 12 month lease period and cannot port if in violation of present lease. Accommodations may be made for participants in Supported Programs or HUD-VASH, in consultation with program partners and the landlord.
- E. If adequate funds are not available, the PHA will deny portability moves if the receiving PHA's payment standard is greater than the local payment standard and the PHA refuses to absorb the transfer.

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³ NOTICE PIH 2018-01 (HA) issued January 17, 2018

Part V. TERMINATION & GRIEVANCES

1. Grounds for Denial or Termination of Assistance to Applicants and Participants

A. Types of denial

1. Denial of admission to applicant.
2. Denial of issuance of another voucher to participant who wants to move to another dwelling unit.
3. Declining to enter into a PHA contract.
4. Declining to approve a lease was requested by participant.

B. Condition of denial

- * Applicant or participant currently owes rent or other amounts to the PHA or another PHA in connection with Section 8 or Public Housing (listed in family obligations).

C. Termination of assistance

1. PHA must terminate assistance if family is evicted for serious or repeated lease violations or violations of participant obligations.
2. PHA must terminate or deny assistance if a participant refuses to sign consent forms.

2. Termination of Tenancy

- A. The owner shall not terminate the tenancy of the (evict) family, except for:
 1. Serious or repeated violation of the terms and conditions of the lease.
 2. Violation of Federal, State, or local law which imposes obligations on the family in common with the occupancy and use of the dwelling unit and surrounding premises.
 3. Other good causes shown.
- B. The owner may evict (terminate the tenancy) the family from the contracted unit only by instituting a court action. The owner must notify the Paducah Section 8 office in writing of the commencement of proceedings for termination of tenancy, while the owner gives notice to the family under State or local law. The notice to the PHA may be given by furnishing the PHA a copy of the notice given to the family.

3. Grievance Procedures

A. Informal review of PHA decision regarding participation in the program.

1. The PHA shall give an applicant for participation in the Paducah's Section 8 Housing Program prompt written notice of a decision denying assistance to the applicant, including a decision to deny placement on the PHA waiting list for the Housing Choice Voucher Program. The notice of denial shall contain a brief statement of the reason for the decision. The notice shall also state that the applicant may request an informal review of the decision and shall describe how to request the informal review.
2. The PHA shall give the applicant an opportunity for an informal review of the decision, in accordance with the review procedures established by the PHA. The informal review shall be conducted by any person or persons designated by the PHA, other than the person who made the decision, or anyone involved in the review of such decision. The applicant shall be given an opportunity to present written or oral objections to the PHA decision. The PHA shall promptly notify that applicant in writing of the outcome of the informal review, including a brief statement of the reasons for the final decision.
3. The PHA is **not** required to provide an opportunity for an informal review in accordance with paragraph (a) for the following:

- Discretionary administrative determinations made by the Paducah Section 8 office.
- General policy issues or class grievances.
- Determination of the number of bedrooms entered on the voucher under the occupancy standards established by the PHA.
- Judgment that a unit located by a voucher holder does not comply with the PHA's Housing Quality Standards, or the PHA's decision not to approve the lease for the unit.
- Decision by the Paducah Section 8 office not to approve a request by a voucher holder for an extension of the term of the voucher.

B. Informal hearing on PHA decision affecting participant's family.

1. In the following instances, the Paducah Section 8 office shall give a participant in the Section 8 Housing Choice Voucher Program an opportunity for an informal hearing to consider whether a decision relating to the individual circumstances of the family are in accordance with law, HUD regulations and Paducah Section 8 office rules:
 - a. A determination of the amount of the total payment of tenant rent (not including determination of the PHA's schedule of utility allowance for families in the PHA's Section 8 Program.
 - b. A decision to deny or terminate assistance on behalf of the participant.
 - c. Determination that a participant family is residing in unit with a larger number of bedrooms than appropriate under the PHA standards, and the PHA's determination to deny the family's request for exception from the standard.
 - d. In the case of an assisted family which wants to move to another dwelling unit with continued participation in the PHA program.
2. Paducah Section 8 Housing office is **not** required to provide an opportunity for an informal hearing in accordance with paragraph above for the following:
 - Discretionary administrative determinations by the PHA,
 - Consider general policy issues or class grievances.
 - Judgment that a unit does not comply with the PHA's Housing Quality Standards, that the owner has failed to maintain or operate a contract unit that provides decent, safe and sanitary housing in accordance with the NSPIRE/HQS (including all services, maintenance, and utilities required under the lease).
 - Judgment that the contracted unit is not decent, safe and sanitary because of an increase in family size or change in family composition.
 - Decision to exercise any remedy against the owner under an outstanding contract including the termination of housing assistance payments to the owner.
 - Decision not to approve a family's request for an extension of the voucher issued to an assisted family which wants to move to another dwelling unit with continued participation in the PHA's Section 8 Program.
3. The PHA shall give the participant prompt written notice of a decision. The notice shall contain a brief statement of the reasons for that decision. The notice shall state that if the participant does not agree with the decision, the participant may request an informal hearing on the decision and shall also state the time by which the request for an informal hearing must be made by the participant.
4. When the PHA determines the amount of the total tenant payment of the tenant rent, or determines the number of bedrooms entered on the voucher of an assisted family which wants to move to another dwelling unit, the PHA shall notify the participant that the participant may ask for an explanation of the basis of the PHA determination, and that, if the participant does not agree with the determination, the participant may request an informal hearing on the decision.
5. If the PHA has decided to terminate Housing Assistance Payment on behalf of a participant under an outstanding contract (and if the PHA is required to give the participant informal

- hearing on the decision), the participant shall be afforded the opportunity for such an informal hearing before the termination of Housing Assistance Payments.
6. In all cases when a hearing is required, the PHA shall proceed with a hearing in a reasonable expeditious manner upon the request of a participant.
 7. The PHA shall adopt written procedures for conducting an informal hearing for participants in the PHA's Section 8 Program. The PHA hearing procedures shall comply with the following:
 - a. The hearing may be conducted by any person or person's designated by the PHA, other than the person who made or approved the decision under review or a subordinate of such a person.
 - b. At their own expense, the participant may be represented by a lawyer or other representative.
 - c. The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA hearing procedures.
 - d. The PHA and the participant shall be given the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
 - e. The person who conducts the hearing shall issue a written decision, briefly stating the reasons for the decision. Factual determination relating to the individual circumstances of the participant shall be based on the evidence presented at the hearing. A copy of the hearing decision shall be furnished promptly to the participant.
 8. The Paducah Section 8 Housing office is **not** bound by a hearing decision:
 - a. Concerning a matter for which the PHA is not required to provide an opportunity for an informal hearing, or otherwise more than the authority of the person conducting the hearing under the PHA hearing procedures.
 - b. Contrary to HUD regulations and requirements, or otherwise contrary to Federal, State, or local law.

If the PHA determines that it is not bound by a hearing decision, the PHA shall promptly notify the participant of the determination, and of the reasons for the determination.

4. Complaints and Appeals

Paducah Section 8 Housing office will inform prospective landlords that Fair Housing and Equal Opportunity Laws must be observed. Complaints of discrimination that do occur will be investigated and action will be initiated to correct any inequalities that are found to exist.

5. Absence from Unit

The PHA shall address absences due to military service, foster care placement, hospitalization, or caretaker situations per HUD guidance. The PHA will update household composition and income as appropriate. Any family under the Section 8 program may not be absent from the unit for a period greater than 30 days consecutively unless for a health and medical care situation which may not exceed 180 days. The family is obligated to inform the Paducah Section 8 Housing office upon family absence from the unit. Any failure to inform or prolonged unit absence to exceed time limitation will result in termination of rental assistance. The family will be given the right to an informal hearing in all cases of termination because of unit absence. *Note:* The HUD-VASH program provides an exception to this restriction. Single Veterans may retain their housing if they are not absent from the unit longer than 180 calendar days for continued assistance, and the Veteran's rent portion continues to be paid to the landlord. (VHA Directive 1162.05(1))

6. Restriction on the Number of Moves by a Participant Family

The PHA will restrict the number of voluntary moves by a participant family to twice during any 12-month period. Involuntary moves resulting from natural disasters, owner option to sell or relocate to unit, Paducah Section 8 Housing office-initiated lease terminations, and all other moves where the participant is not at fault are unrestricted.

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Part VI. PROGRAMS

1. Conversion HCV's

Paducah Section 8 Housing office will administer conversion/enhanced vouchers consistent with 24 CFR 982.201(b)(1)(iii) and any or related subsequent HUD regulations.

Enhanced vouchers are **tenant-based assistance**. Households issued enhanced vouchers may elect to use the assistance in the same property (if the property continues as rental housing and the tenancy can be approved in accordance with the enhanced voucher policies), and in all cases may choose to move from the property immediately. There is no guarantee to the owner that any enhanced voucher assistance will be used at the property for any period. Enhanced vouchers are different from regular Housing Choice Vouchers (HCVs) in two major respects. If the family remains in the same property, a higher enhanced payment standard is used to determine the amount of subsidy when the gross rent exceeds the normally applicable PHA payment standard, and the family must continue to contribute towards rent at least the amount the family was paying for rent on the date of the mortgage maturity, rental assistance contract expiration, or affordability restriction expiration that removes the affordability restrictions at the property.

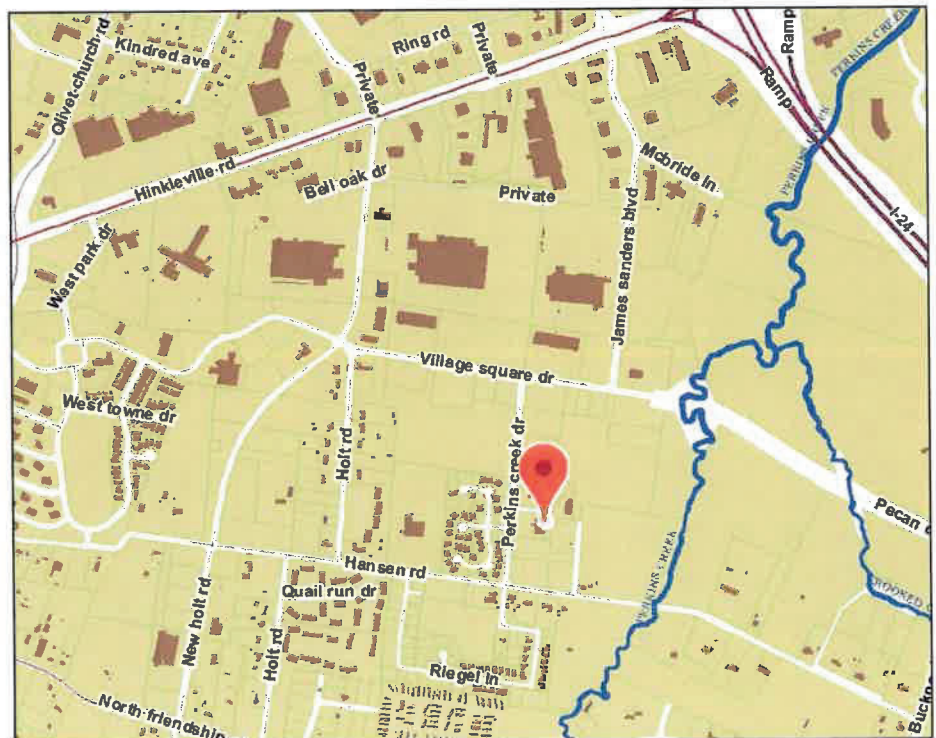
The PHA must determine the eligibility of all at-risk households identified by the owner. For purposes of determining income eligibility, the PHA uses the applicable low-income limits (not the very low-income limits).

2. HUD-VASH

The HUD-Veterans Affairs Supportive Housing (HUD-VASH) program combines Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). VA provides these services for participating Veterans at VA medical centers (VAMCs) and community-based outreach clinics. The local clinic is located at 2620 Perkins Creek Drive.

The Paducah Section 8 Housing office has opted to participate in this partnership program with the Veteran's Administration (Marion, Illinois office) to provide housing assistance to area homeless veterans under the HUD- VASH Program.

HUD has legislative and regulatory authority of HUD-VASH vouchers and public housing agencies. Generally, the HUD-VASH program is administered in accordance with regular HCV program requirements (24 CFR, Section 982). However, the 2008 Consolidated Appropriations Act (Public Law 110-161) allows HUD to



waive or specify alternative requirements for any provision of any statute or regulation affecting the HCV program to effectively deliver and administer HUD-VASH voucher assistance. The alternative requirements are established in the HUD-VASH Operating Requirements (including the waivers and alternative requirements from HCV program rules), which were published in the Federal Register on May 6, 2008, and updated March 23, 2012. The Operating Requirements can be found here, <https://www.gpo.gov/fdsys/pkg/FR-2012-03-23/pdf/2012-7081.pdf>.

The PHA's local discretionary policies adopted in the PHA's administrative plan, apply to HUD-VASH Vouchers. If there is a conflict between the program regulations and the agency's administrative plan, the program regulations have precedence. The City of Paducah Section 8 Housing adheres to HUD Notice FR-5596-N-01, VHA Directive 1162.05(1) and all subsequent HUD notices regarding administration of the HUD-VASH program.

By agreeing to administer HUD-VASH, PHAs are responsible for:

(1) Accepting Veterans referred by the VA Medical Center only. PHAs do not maintain a separate waiting list for the HUD-VASH program.

(a) VA HUD-VASH case managers will refer HUD-VASH-eligible families to the PHA for the issuance of vouchers. The PHA must accept referrals from their VA partner.

(b) VA HUD-VASH case managers will screen all families in accordance with VA screening criteria. By agreeing to administer the HUD-VASH program, the PHA is relinquishing its authority to determine the eligibility of families in accordance with regular HCV program rules and PHA policies.

(c) The VA-issued photo identification card will also be accepted to verify identification, SSN, and date of birth. The *Certificate of Release or Discharge from Active Duty* (DD-214) or the VA-verified Application for Health Benefits (10-10EZ) is also acceptable as verification of SSN. Additionally, Paducah Section 8 Housing office accepts as a valid form of income verification for VASH participants the Housing Inquiry statement (HINQ) as provided by our partner VA office.

(d) When adding a family member after the HUD-VASH family has been admitted to the program, the rules of § 982.551(h)(2) apply. Other than the birth, adoption, or court-awarded custody of a child, the PHA must approve additional family members and may apply its regular screening criteria in doing so.

(2) Determining/Verifying income eligibility. If the Veteran is over income, he/she is ineligible for HUD-VASH.

(3) Completing a background check to insure that the Veteran (or household member) is not a lifetime registered sex offender under a state sex offender registry

(a) Specifically, under the HUD-VASH program, PHAs will not have the authority to screen any potentially eligible family members or deny assistance for any grounds permitted under 24 CFR 982.552 (broad denial for violations of HCV program requirements) and 982.553 (specific denial for criminals and alcohol abusers), with one exception: PHAs will still be required to prohibit admission if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. However, unless the family member that is subject to lifetime registration under a state sex offender registration program is the homeless veteran (which would result in

denial of admission for the family), the remaining family members may be served if the family agrees to remove the sex offender from its family composition.

- (4) Conducting briefing sessions and issuing vouchers for all eligible VASH applicants. The initial search term for a HUD-VASH voucher is at least 120 days to search for a unit.
- (5) Providing housing-search resources to HUD-VASH Veterans.
- (6) Assisting with landlord recruitment and housing stock availability.
- (7) Inspecting housing units to insure that HUD-assisted units follow Housing Quality Standards. To expedite the leasing process, PHAs may choose to “pre-inspect” units. If a family selects a unit that passed an NSPIRE/HQS inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval, the unit may be approved.
- (8) Executing HAP Contracts.
- (9) Making timely housing assistance payments.
- (10) Assisting with the mobility/portability process, whereby a Veteran is using a voucher to lease a unit in another jurisdiction where a PHA operates a Housing Choice Voucher (HCV) program.
- (11) Notifying the HUD-VASH Case Management Team of all upcoming appointments to help guarantee attendance.
- (12) Providing housing-search resources to HUD-VASH Veterans.
- (13) Aiding case managers regarding program rules, local PHA policies written in the agency’s Administrative Plan, including but not limited to procedural guidelines and performance standards for conducting NSPIRE/HQS inspections, revising payment standards, determining rent reasonableness, interim redeterminations informal reviews/hearing procedures (appeals).
- (14) Communicating housing status of Veteran participants to resolve concerns and maintain accurate participant accounting.
- (15) Helping maintain positive relationship with landlords and resolving PHA/HAP related issues.
- (16) Addressing issues with the Veteran following their PHA procedures.
- (17) Communicating the Denial of Assistance notice. If the PHA denies assistance to an HUD-VASH applicant, the PHA must provide:
 - (a) Notification of Termination or Denial of Assistance. If the PHA is denying or terminating assistance the PHA must provide (1) Family obligations of the program; (2) the grounds on which the PHA may deny or terminate assistance because of a family action or failure to act and (3) the informal hearing procedures. A copy of the notification letter should be sent to the VA HUD-VASH case manager. For applicants, the written notification must provide: a brief statement of the reason for denial; and an opportunity for the Veteran to request an informal review.
 - (b) A brief statement of the reason for denial; and
 - (c) An opportunity for the Veteran to request an informal review in accordance with 24 CFR 982.554(a) and (b). A copy of this denial of assistance notice must be sent to a VA HUD-VASH team member.

NOTE: The PHA cannot deny HUD-VASH assistance to a Veteran for any grounds under 24 CFR 982.522 and 982.553. Additionally, a PHA cannot refuse to reissue vouchers to Veterans that have been previously terminated from HUD-VASH. The only reasons for denial of assistance by PHA are failure to meet the income eligibility requirements or if any member of the Veteran's household is subject to a lifetime registration requirement under a state sex-offender registration program, according to HUD's regulations.

(18) Ensuring a violation of PHA Rules does not occur. Once a Veteran participant has been issued a voucher, they must follow the usual PHA rules or face possible suspension or termination of their voucher assistance. The PHA must follow their usual procedure in terminating assistance, to include an informal hearing. Case managers are expected to work with the Veteran and PHA to insure that all measures are taken to address options that allow the Veteran to maintain housing. This may include assisting the Veteran with making necessary changes in behavior while advocating for flexibility with the PHA.

(19) Terminating Assistance. HUD has not established any alternative requirements for termination of assistance for HUD-VASH participants. However, prior to terminating HUD-VASH participants, HUD strongly encourages PHAs to exercise their discretion under 24 CFR 983.552 (c)(2) and consider all relevant circumstances of the specific case, including granting reasonable accommodations for persons with disabilities in accordance with 24 CFR Part 8, as well as including the role of the case manager and the impact that ongoing case management services can have on mitigating the conditions that led to the potential termination, prior to determining whether to terminate assistance.

(20) Documenting changes in the family.

(a) Death of the Veteran. When a Veteran, who is under lease with a HUD-VASH voucher dies, then the family members who are also registered on the voucher and lease are able to continue to utilize the HUD-VASH voucher for as long as they remain otherwise eligible. The PHA is encouraged, though not required, to move the Veteran's family to a non-HUD-VASH, or "regular," HCV when one is available. Once the family moves to a regular HCV then the HUD-VASH voucher becomes available for a new Veteran. Case management is not available through this program without the Veteran, but it can be arranged for the family if needed through referral to community or other programs.

(b) Separation/Divorce of the Veteran. Since the set-aside of HUD-VASH vouchers is for Veterans, the voucher must remain with the Veteran in case of separation or divorce. This in effect overrides the PHA's policies on how to determine who remains in the program when a family breaks up (24 CFR Section 982.59(d) (11)).

(c) Imprisonment of the Veteran. Veterans who are leasing a unit with their HUD-VASH voucher and are imprisoned may be able to continue to sustain their housing. When the Veteran has been terminated from VA case management, the PHA must terminate HUD-VASH assistance. PHAs may use its discretion under 24 CFR 982.552 (c)(2)(ii) to allow other members of the participant family to continue receiving assistance subject to the condition that the offender will not reside in the unit. The family may retain the HUD-VASH voucher, or the PHA may offer the family a non-VASH voucher to free up the HUD-VASH vouchers for another homeless Veteran. Once the VASH voucher turns over, it must be issued to another homeless Veteran.

(21) Single Veterans may retain their housing as long as they are not absent from the unit longer than 180 calendar days for continued assistance, and the Veteran's rent portion continues to be paid to the landlord.

(22) Veteran families where the Veteran is not expected to return to the family unit may request the PHA to provide them with a regular voucher, if available. The family, already a program participant, would not be subject to a waiting list. However, the PHA determines availability of their regular HCV for the family. If the PHA is not able to move the family to a regular HCV, the family would continue to utilize the HUD-VASH voucher.

(23) Veterans who have exited HUD-VASH case management and whose voucher was terminated due to excessive lengths of incarceration may be evaluated upon release for readmission to HUD-VASH.

(24) Veterans who are incarcerated may not receive services from the HUD-VASH team. Consultation with VA's Veteran Justice Program staff and Fugitive Felon point of contact is recommended.

(25) Protection for the Victim. When a Veteran's family member is under lease with a HUD-VASH voucher and is receiving protection as a victim of domestic violence, dating violence, or stalking, and the Veteran is the perpetrator of such violence, the victim must continue to be assisted by PHA.

(a) Dating violence, domestic violence, and stalking are violations of family obligations under 24 CFR 982.551(I). Therefore, the perpetrator may be terminated from PHA voucher assistance for committing such acts.

(b) Upon termination of a perpetrator's HUD-VASH voucher due to acts of domestic violence, the victim receiving protection is to be given a regular HCV by PHA, if one is available. If a regular HCV is not available for the victim, the victim continues to utilize the HUD-VASH voucher until another subsidy can be utilized. Case management associated with any remaining household members utilizing this voucher is terminated. The Veteran's victim and family would not be subject to the PHA's voucher waiting list as they are already participants in the voucher program.

(c) In the case of the victim utilizing the HUD-VASH voucher, upon release of the voucher by the victim, the HCV must be returned to HUD-VASH for re-issue by PHA to another eligible Veteran family. NOTE: HUD is currently developing guidance that will provide PHAs with further procedures for the implementation of Violence Against Women Act (VAWA) protections under 24 CFR part 5, subpart L.

(d) The Veteran perpetrator may continue to be served by the HUD-VASH team, have a new voucher issued, and work towards becoming rehoused as appropriate.

(e) Where appropriate referrals need to be made to the health and medical care facility's local Intimate Partner Violence/Domestic Violence coordinator or point of contact.

Initial term of the Housing Choice Voucher for HUD-VASH participants shall be 120 days, rather than the standard 60 days. The initial lease term may also be less than the standard one-year requirement.

A HUD-VASH participant family's HCV assistance must be terminated for failure to participate, without good cause, in case management services as verified by the VAMC or CBOC. In such cases, the PHA will offer the family continued HCV assistance through one of its regular vouchers if one is available.

3. Supported Programs (SP)

The Paducah Section 8 Housing office seeks to support and promote area programs designed to provide coordinated services to residents who are recent victims of domestic violence and/or those who are in pursuit an education by enrolling in a post-secondary educational facility as a full-time student. Any HCV participant in the supported program shall retain their HCV eligibility beyond ending participation in the supported program unless termination of assistance is based upon violation of Family Obligations of the HCV program. Participants that voluntarily withdraw or are terminated with cause under SPs shall not be eligible for application to HCV until two years from last HCV assistance.

Supported Programs currently promoted by the City of Paducah Section 8 Housing:

- Scholar House of Paducah
- Merryman House Initiative (domestic violence program)

A. Any assistance that section 479B of the Higher Education Act of 1965, as amended (20 U.S.C/ 1087 uu), requires to be excluded from a family's income including Bureau of Indian Affairs or Department of Education student assistance programs. These amounts are only excluded up to the cost that covers tuition and other required fees in Section 8 households, if the student is the head of household or that person's spouse.

1. Student financial assistance, not excluded under the HEA for "actual covered costs" of higher education paid directly to the student or to the educational institution on the student's behalf.
 2. Income and distributions from any Coverdell educational savings account of or any qualified tuition program under IRS sections 529 and 530.
 3. Income earned by government contributions to, or distributions from, 'baby bond' accounts created, authorized, or funded by federal, state, or local government.
 4. Payments received for the care of foster children or adults, including state kinship, guardianship care payments, or tribal kinship payments.
- B. Foster adults and foster children are members of the household and therefore considered when determining appropriate unit size and utility allowance. However, they are not considered members of the "assisted family" in determining annual and adjusted income or net family assets; nor are the assets of foster adults or children taken into consideration for purposes of asset limitations.

A live-in aide is treated similarly for purposes of income and assets.

1. These payments must be made:
 - by or authorized by a state Medicaid managed care system or other state agency » Includes: state Medicaid-managed care system, other state agency, or authorized entity
 - to a family to enable a family member who has a disability to reside in the family's assisted unit.

4. Family Self-Sufficiency Program

The Paducah Section 8 Housing office has received approval to develop and implement a Family Self-Sufficiency (FSS) Program under the terms of the Annual Contributions Contract for KY 36-VI37-008. The objective of this action plan is to initially outline the policies and procedures for implementation of this FSS Program.

The overall goal of the Paducah Section 8 Housing office is to enable a **maximum of 30 families** to become economically and socially independent through the coordination and delivery of existing community services.

Mandatory program size will reduce by the number of program graduates although the agency will continue to operate a voluntary program totaling 30 participants.

Based on experience with the Family Self-Sufficiency Program, it is known that there are both societal and individual barriers to break down before a family can leave long term poverty.

It is also understood that an effective FSS Program requires a mixture of creativity and flexibility, in addition to accountability, for both the family and service providers.

A. Program Objectives

The Program's objectives are listed as follows:

- Improve coordination of both planning and delivery of services to participants of FSS based on the commitment to make families self-sufficient.
- Implement a case management system to identify needs, planning, and delivery of services to a FSS family based on the family's commitment to become self-sufficient.
- Document the implementation of services to be used for future planning of a broader-based FSS Program.
- Establish interagency partnerships to achieve high quality comprehensive service delivery to all members of a family with long-term results. Assess the accountability of the family, the case management, and the agencies and entities providing service and resources.

B. Family Objectives

The family's objectives will be to achieve the following:

- Elevate itself from a status of dependency to that of self-reliance and growth towards the goal of self-sufficiency.
- Achieve a greater level of self-discipline, self-esteem, and self-motivation by accepting responsibility for decisions and actions.
- Demonstrate commitment and accountability to a Personal Action Plan, in which both goals and barriers are assessed.

C. Family Demographics

The City of Paducah Section 8 Program will serve a diverse population in implementing the FSS Program. The Agency does not and will not, under the FSS Program Action Plan, discriminate in its practice or treatment toward any program participant.

D. Selection Process

The selection of FSS participants will be limited to current Section 8 Housing participants with a selection preference given to JOBS (Job Opportunities and Basic Skills) participants not to exceed 50% of the total FSS slots. Outreach to JOBS participants will be performed through notification and coordination of the local JOBS coordinator and staff.

The Paducah Section 8 Housing office will provide FSS information available by means of notification to all current Section 8 program participants, briefing packets enclosure, media coverage, community, and/or special interest group presentations.

The non-targeted selections will be made by the time and date of the family's expressed interest in participation in FSS.

The selection procedure for FSS participants will be performed without regard to race, color, religion, sex, disability, familiar status, or national origin.

E. Activities and Support Services

The FSS program will offer the following support services in addition to identified service needs of specific family circumstance:

- Childcare
- Transportation
- Education
- Employment
- Personal Welfare
- Household Skills and Management
- Counseling (credit, personal, etc.)
- Other service and resources such as case management

The identification of support needs will be established through case management, self-evaluation, and need assessment. The process of identifying service providers will be done in coordination with the Program Coordinating Committee (PCC) to define and access a broad range of support services.

F. Incentives

The FSS Program will offer participating families the opportunity to effectively become economically and socially independent of the welfare system through the coordination and provision of services designed to meet the goal of each individual participant.

The Program will also provide for the establishment of an escrow account for any difference of the increase in rent due to earned income in accordance with HUD regulations.

G. Assurance of Non-Interference

The City of Paducah Section 8 Housing Program hereby assures each family that any admission or right to occupy in accordance to lease provisions will not be affected by a family's participation or nonparticipation in the FSS program.

H. Termination

The family's Contract of Participation may be terminated for any of the following reasons:

- When the housing agency determines that the head or participating family member(s) has failed to fulfill the terms of the contract and/or any extension, therefore.
- Withdrawal of the family from the FSS program.
- Mutual consent of both parties.
- By such act as it is deemed inconsistent with the purpose of the FSS program.
- By operation of law.
- When the family is no longer receiving any federal, state, local or other assistance.

I. Withholding of Services / Denial

If a Family previously participated in the FSS program and did not meet its obligations and was terminated, the family will be denied participation.

Families that owe the Section 8 program, or another housing agency, money in connection to housing assistance will be denied participation.

Families that are found in noncompliance with the lease that result in lease termination will be denied participation in the FSS program.

Noncompliance with the FSS contract will result in termination of contract.

If a Family fails to meet its obligations or complete goals stated in the contract, services will be denied.

J. Grievance Procedures

Any decision of the agency to terminate, deny or withhold assistance can be addressed by the participant by utilizing the grievance procedure included in the Administration Plan. Each participant will be informed of their rights and procedures for grievances upon selection to the FSS program.

K. Timetable for Implementation

The Agency's goal of full implementation of slots will be a period of 90 days from the effective date of the Action Plan.

L. Certification of Coordination

The Paducah Section 8 Housing office hereby certifies that the development of services and activities have and will be coordinated with the JOBS program and other services related programs to assure that implementation will continue to be coordinated to avoid duplication of services and activities. This will be achieved through the coordinating committee input and services coordinator's program management.

M. Escrow Withdrawal (early)

FSS participants in good standing shall be eligible to make a one-time withdrawal of escrow funds equal to up to 50% of remaining escrow funds during the contract for the following purposes: to reduce debts in preparation of homeownership certification, to purchase needed transportation if required for employment, to cover moving expenses if needed for employment opportunity or other good cause related to becoming self-sufficient. The Program Administrator will review and approve each written request as submitted by the FSS participant.

N. Eligibility of graduated FSS participants

Any participant that has graduated and withdrew funds or voluntarily withdrew from the FSS program shall not be eligible to re-apply for FSS until all withdrawn funds are repaid or (2) years from last date of assistance.

5. HCV Homeownership Program

The City of Paducah Section 8 Housing Choice Voucher Program (also referred to as PHA) hereby establishes a Section 8 **tenant-based homeownership option** in Paducah/McCracken County, KY pursuant to the U.S. Department of Housing Urban Development (HUD) final rule dated October 12, 2000, and Section 566 of the Quality Housing and Work Responsibility Act of 1998 under Section 8(y), Homeownership Option.

The Paducah Section 8 Housing office hereby establishes a minimum commitment of 50 housing choice vouchers to be utilized as homeownership option vouchers subject to review and adjustment by the City of Paducah Board of Commissioners based upon financial and related considerations.

A. Participant Qualification

Any Section 8 eligible program participant, Housing Authority of Paducah participant, Habitat for Humanity participant or City of Paducah Planning Department Homebuyer Program applicants, who has been issued a Section 8 housing choice voucher, referred by the Housing Authority, Habitat or the Planning Department may utilize the subsidy for purchase rather than rental of a home, subject to the following:

A family must meet the requirements for admission to or continued participation in the Section 8 Housing Choice Voucher (HCV) Program.

The homeownership option will be included in all briefing and re- certification classes as well as media and community announcements. Current Section 8 participants or public housing participants must follow their lease and program requirements and must terminate their current lease arrangement in compliance with the lease agreement.

A family in which the head or co-head of household has previously received assistance and has defaulted on a mortgage obtained through the Homeownership Option is disqualified from participation.

Participant families must be any of the following: "first-time homeowners", in which no family member owned any present homeownership interest in a residence of any family member within the last three years; residents of limited equity cooperatives; or a family of which a member is a person with disabilities, and use of the Homeownership Option is needed as a reasonable accommodation. (Title to a mobile home or manufactured home is not considered as homeownership for purposes of this option.)

Participants in the Section 8 Homeownership Option must attend and satisfactorily complete a pre-purchase homeownership counseling program and be deemed to be "mortgage ready" before a homeownership voucher will be issued. Participants are also required to attend and complete post- purchase and ongoing homeownership counseling. At minimum, the counseling will cover the following:

- Home maintenance
- Budgeting and money management
- Credit counseling
- Negotiating the purchase price of a home
- Financing
- Locating the home
- De-concentration issues
- NSPIRE/HQS (housing quality inspection) and independent inspection requirements

The head of household and/or co head must be currently employed on a full-time basis (as defined by HUD to average 30 hours per week) and have been continuously employed during the year before commencement of homeownership assistance. Families in which the head of

household or co-head is disabled, or elderly are exempt from this requirement. Families that include a person with disabilities may request an exemption as a reasonable accommodation.

The family's income must be equal to or exceed the HUD minimum income requirement, currently set at **2000 hours times the Federal minimum wage or \$15,080** annually. Welfare assistance will not be considered in meeting the income requirement, except for households in which the head or co-head is elderly or disabled and for households that include a disabled person other than head or co-head.

Applicants may be enrolled in the Family Self-Sufficiency (FSS) Program but are not required to do so to qualify in the program. Funds accumulated in the FSS escrow account may be advanced for purchase of the home, home maintenance, credit clean up or other house purchase related expenses subject to the guidelines of the FSS Program.

B. Time Frame to Purchase a Home

An applicant will have a maximum of 90 days from the date of issuance of a homeownership voucher to enter into a Purchase Agreement to purchase a home. If an applicant is unable to enter into a Purchase Agreement before the end of the initial 90-day period, the applicant will be provided with an extension of 90 days to enter a Contract for Sale or utilize the voucher for house rental.

Any additional extension will be at the discretion of the Program Administrator.

C. Portability

Families determined eligible for homeownership assistance may exercise the Homeownership Option outside the PHA's jurisdiction if the receiving PHA is administering an HCV homeownership program and is accepting new families into its program.

D. Permitted Ownership Arrangements

The Homeownership Option may be utilized for three types of housing:

1. A single-family unit owned by the family, where one or more family members hold title to the home, or a home previously occupied under a lease purchase agreement. Such a unit may be a single-family home, half of a duplex, or single unit within a condominium or multiplex.
2. A cooperative unit, where one or more family members hold membership shares in the cooperative.
3. A manufactured home on a permanent foundation when the family owns the land on which the home sits or if the family does not own the land where the home sits but has the right to occupy the land for at least thirty years.

E. Contract of Sale and Home Inspections

Participants in the Homeownership Option Program must initially complete a Purchase Agreement with the owner of the property to be purchased.

The Purchase Agreement must include the seller's certification that the seller(s) has not been debarred, suspended, or subject to a limited denial of participation under any federal contract in accordance with 24 CFR part 24.

The Purchase Agreement must include the home's price and other terms of sale, the PHA's pre purchase NSPIRE/HQS inspection requirements (including a provision that the participant will arrange for a pre purchase inspection of the unit as set forth below), a provision that the participant is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser, and an agreement that the purchaser is not obligated to pay for any necessary repairs.

The participant must obtain an independent professional home inspection of the unit's major systems at the participant's expense. A member of the American Society of Home Inspectors (ASHI) or a regular member of the National Association of Home Inspectors (NAHI) must conduct the independent inspection. In all cases the inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical and heating systems. The inspector must provide a copy of the inspection report both to the family and to the PHA.

The City of Paducah Section 8 Housing office will conduct a NSPIRE (National Standards for the Physical Inspection of Real Estate) & Housing Quality Standards (HQS) inspection and will review the independent professional inspection of the unit's major systems. The City of Paducah Section 8 Housing office retains the right to disqualify the unit for inclusion in the Homeownership Option based on either the NSPIRE/HQS inspection or the independent professional inspection report.

F. Financing

Mortgage instruments must meet at least one of the following criteria:

The household is solely responsible for obtaining financing. All loans must meet FHA, or acceptable terms by Fannie Mae, Freddie Mac, reputable secondary markets, or acceptable mortgage insurance credit underwriting requirements. The PHA will review lender qualifications, loan terms, and other family debt and expenses to determine that the debt is affordable and reserves the right to disapprove the loan if it is unaffordable or the terms are considered predatory.

The PHA requires a minimum homeowner down payment of at least 3 percent of the purchase price for participation in its Section 8 Homeownership Option Program and requires that at least two percent (2%) of the purchase price come from the family's personal resources. The PHA will consider waiving or reducing the minimum down payment requirement in cases where the family is using down payment assistance grants or other assistance programs to purchase the unit. Waivers will be granted on a case-by-case basis at the discretion of the Program Administrator.

The PHA prohibits the following:

- Seller financing
- Co-signers not residing in the household.

In the event of an appeal, the Program Administrator will appoint a review panel.

G. Length and Continuation of Assistance

Section 8 assistance will only be provided for the period that the family is in the occupancy of the home. The maximum term a family may receive homeownership assistance is fifteen years if the initial mortgage incurred to finance purchase of the home is 20 years or longer. In all other cases, the maximum term of assistance is ten years or the length of the actual mortgage if less than 10 years.

Elderly families that qualify as such at the start of homeownership assistance and disabled families that qualify as such at any time during receipt of homeownership assistance are exempt from this time limit. If an elderly or disabled family ceases to qualify as such during homeownership assistance, the maximum term applies from the date the assistance commenced, except that the family will be provided at least 6 months of assistance after the maximum term becomes applicable.

H. Family Obligations

In addition to completing the pre- and post-purchase homeownership counseling program, the family must execute a statement of family obligations prior to the issuance of the

homeownership voucher, agreeing to comply with all family obligations under the Homeownership Option, including:

1) The family must comply with the terms of any mortgage securing debt incurred to purchase the home or any refinancing of such debt.

At any time, the family is receiving homeownership assistance, the family may not sell or transfer any interest in the home to any entity or person other than a member of the assisted family residing in the home.

A home equity loan may not be acquired without the prior written consent of the PHA.

The family must provide required information regarding income and family composition to calculate correctly total tenant payment and homeownership assistance, consistent with Section 8 requirements and any other information requested by the PHA concerning financing, the transfer of any interest in the home, or the family's homeownership expenses.

While receiving homeownership assistance, the family must notify the PHA if the family defaults on a mortgage securing any debt incurred to purchase the home.

While receiving homeownership assistance, the family must notify the PHA before the family moves out of the home.

1) The family must, at annual reexamination, document that the family is current on mortgage, insurance and utility payments.

The family is prohibited from moving more than once in a one (1) year period. The family may be required to participate in pre- and post-purchase homeownership counseling prior to re-housing.

While receiving homeownership assistance, no family member may have any ownership interest in any other residential property.

I. Assistance Payment

Paducah Section 8 Housing office may provide upon approval by HUD, one of two types of homeownership assistance paid directly to the lender or designee on behalf of the family.

1) Monthly homeownership assistance payment

The family's Section 8 monthly housing assistance payment will be the lower of the Section 8 voucher payment standard minus the Total Tenant Payment or the family's monthly homeowner expenses minus the Total Tenant Payment.

Homeownership expenses include principal and interest on mortgage debt, refinancing charges of mortgage debt, mortgage insurance premiums, real estate taxes and public assessments, home insurance, allowance for maintenance expenses, allowance for major repairs and replacements based on allowance recommended by the PHA's designees, a utility allowance, and principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home (including expense of reasonable accommodation).

If a family's income increases to a level that they are no longer eligible to receive a housing assistance payment, eligibility for such payments will continue for 180 calendar days. At the end of a continuous period of 180 days without any assistance payments, eligibility for Section 8 assistance will automatically terminate.

J. Lease-to-Purchase

Lease-to-Purchase agreements are considered rental property and subject to Section 8 tenant-based assistance rules. All regulations of the Homeownership Program will become effective at the time that the family exercises the option to utilize the homeownership voucher.

K. Default

If the family defaults on the home mortgage loan, the participant will not be able to utilize the Homeownership Voucher for rental assistance but may reapply to the Section 8 waiting list.

L. Recapture

The PHA will not recapture the Homeownership Voucher payments unless there was an act of fraud or misrepresentation of a material fact to obtain a benefit. The HCV Homeownership recapture provision does not apply to any other program funds that may be used in the transaction.

M. Denial or Termination of Assistance

The PHA reserves the right to deny or terminate assistance to the family, and will deny homeownership assistance to the family, in accordance with HUD regulations governing any failure to comply with family obligation, mortgage default or failure to demonstrate that the family has conveyed title to the home as required, or the family has moved from the home within the period established or approved.

N. Informal Hearings

An informal hearing will be offered for participants who are being terminated from the Program because of the family's action or failure to act as provided in 24 CFR 982.552. The rules and procedures are set forth in the Section 8 Administrative Plan, entitled "Grievance Procedures".

O. Occupancy Standards

The PHA will determine the occupancy standard applicable to each homeownership family to be utilized in the issuance of the payment standard size for lease-to-own calculations and mortgage calculations by consideration of the following:

- size or anticipated size of family
- provision of a valued and salable asset
- analysis of local marketable units
- availability of necessary funding

It is the objective of the PHA to provide the homeowner with the opportunity to purchase local marketable units. In some cases, the homeowner would only qualify (under the regular Voucher Program occupancy standards) for a payment standard that would limit the size of the unit purchased. Under the HCV homeownership program, an analysis will be done on the local market to insure that the homeowner is provided adequate assistance to purchase a valued and salable property which in some cases will equate to adjusting the payment standard size above the occupancy standard of the regular voucher program.

P. Non-Routine Maintenance/Replacement Reserve

The Paducah Section 8 Housing office will encourage a non-routine maintenance and replacement reserve account for each homebuyer receiving home ownership assistance under the Section 8 Homeownership Program. The account shall be maintained by either the Kentucky Housing Corporation or mortgage company/designee for the benefit of the individual homeowner.

The reserve accounts will insure that the homebuyer has sufficient funds on hand for major repairs and systems replacement.

Each home buyer receiving homeownership assistance with a reserve account option will be required to deposit (minimum) \$50.00 monthly to an escrow account to be used to pay for reasonable and non-routine maintenance or repair expenses, or systems replacement, and in the case of a disabled household, the cost of modification of a unit necessary as a reasonable accommodation. Families may access the account with a written request to PSS, which will include the nature of the repair or replacement, bids or estimates, or actual receipts for work that has already been completed. The PHA will make the final determination on approval of account withdrawals and shall submit a request to servicing agent for release of funds.

Participation in the monthly non-routine maintenance/replacement reserve escrow program is required (unless otherwise not offered by a mortgage company or designee) by all participants receiving Section 8 Homeownership assistance from the City of Paducah Section 8 Housing Program after May 1, 2008. Participation by pre-existing homeowners receiving Section 8 Homeownership assistance will be by voluntary written agreement by existing homeowner and will be subject to all provisions under mandatory requirement. The length of individual participation is based on the length of assistance provided by the PHA. After completion of a ten (10) year term of home ownership assistance and obligation, the family may make a written request for the remaining escrow account balance or request it be applied toward the principle balance of their mortgage.

Withdrawal of the funds will be contingent on:

- ✓ Good standing with homeownership program and mortgage obligations.
- ✓ The expense being approved by the PHA. Such expenses are for the replacement of the heating system, air conditioning, water heater, refrigerator, appliances (funds cannot be used to purchase the initial appliance), and home repairs (not including decorations). It may not be used for additions to the unit or for decorative landscaping.

Q. Disbursements

In order to access maintenance/replacement reserve funds, a written request must be submitted to the PHA stating the estimate of cost and purpose the funds will be used.

6. Homeownership Option 10 Year Asset Exclusion

Federal Regulations 24 CFR 5.603 (b) Net Family Assets exempts the home purchased with voucher assistance from being counted as an asset for the first 10 years after closing. The PHA will utilize the following method in calculating home value assets after the initial 10 year exemption exclusion:

Market Value minus Loan Value equals Asset Value

Market Value will be obtained by utilizing the assessed value of property as provided by the McCracken County Property Evaluation Office and reduced (adjusted) by 10% (estimated cost of expense to convert to cash)

Loan Value will be determined by the amount obtained from mortgage company to pay-off loan in full effective on re-certification date or other designated date, if pay-off amount is unobtainable, mortgage balance on re-certification date or other designated date will be utilized as loan value.

The PHA shall apply updated rules for assets under/over \$50,000 and assets disposed of below market value. The PHA will include anticipated earnings using specified HUD formulas

7. Project-Based Voucher Program

The City of Paducah Section 8 Housing Program (PHA) hereby creates a project-based housing program (PBV) to achieve the following goals; to expand the affordable housing stock, to increase the affordability of housing currently not affordable to households below 30% of the area median income and to support supported housing programs. The maximum number of PBV units shall not exceed twenty percent of the total number of ACC authorized HCV units of rental assistance at any time (110 units maximum). The PHA shall enter into contracts for PBV assistance based on the rules stated below and HUD regulations published in Federal Register 24 CRF Part 983 including all subsequent corrections and amendments.

A. Project Selection Criteria

The PHA will consider the following project selection criteria in evaluating proposals to project base housing choice vouchers:

1. Housing that serves homeless households;
2. Housing that serves households with special needs such as people with mental and/or developmental disabilities, people with physical and/or sensory disabilities and other special needs as described by the entity;
3. Housing that reduces concentrations of poverty;
4. Housing that provides opportunities to increase the diversity of neighborhoods;
5. Housing that combines an appropriate level of support services to residents;
6. Housing that provides opportunities for economic self-sufficiency; and
7. Housing that maximizes the use of other funding sources and leverages the use of PHA funds.

B. Project Selection

- The Paducah Section 8 Housing office may solicit proposals by using a Request for Proposals (RFP) to select proposals on a competitive basis in response to the PHA request. The RFP will be published as required, inviting proposals of projects that seek the commitment of project-based vouchers that meet the goals of the PHA selection criteria. Specific project selection will be performed by a PHA designated evaluation panel utilizing a weighted selection scored according to the applicable factors listed in the selection criteria.
- The Paducah Section 8 Housing office may select proposals that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance. The PHA need not conduct another competition.

All projects awarded project-based Section 8 subsidy must be developed and operated in a manner consistent with HUD regulations. Project based commitments are subject to the availability of adequate federal funding of the PHA Section 8 Housing Choice Voucher Program.

C. Operation of Project-Based Properties

The PBV program shall operate the same as the regular tenant based vouchers with the following exceptions:

D. Project-Based Waiting List

The Paducah Section 8 Housing office shall use a separate waiting list for admission to the PBV program. All PBV applications will be maintained according to the same selection criteria as the regular program. If an applicant refuses an offer of assistance for PBV, the applicant will be transferred to the regular waiting list as of their original application date.

E. Moves with Continued Assistance

Participants that are assisted under the PBV program may move from the assisted project and retain housing choice voucher assistance if the assisted family has occupied the unit under PBV for at least 12months and has given proper notice to vacate.

F. PBV Program Contract Terms

The contract term shall be negotiated for each project based on the project's needs, not to exceed 10 years.

Except for units designated for families that are elderly, disabled or receiving supported services, no more than 25% of the project may have PBV assistance.

PBV unit gross rents may not exceed the locally adopted payments standards.

No vacancy loss payments shall be made by the Paducah Section 8 Housing office if the participant vacates the unit.

All units must be inspected by the Paducah Section 8 Housing office for NSPIRE(National Standards for the Physical Inspection of Real Estate) & Housing Quality Standard (HQS) compliance and each unit shall be re-inspected annually.

All contracts are subject to availability of adequate funds.

* * * * *

Part VII. ADMINISTRATION & EVALUATION

1. Responsibilities of the Paducah Section 8 Housing office

- ❖ Publication and dissemination of information concerning the availability and nature of housing assistance for eligible families.
- ❖ Public invitation of owners to make dwelling units available for leasing by eligible families and development of working relationships and contracts with landlords and appropriate associations and groups.
- ❖ Receipt and review of applications for vouchers, verification of family income, and other factors relating to eligibility and amount of assistance and maintenance of a waiting list.
- ❖ Issuance of vouchers.
- ❖ Notification of families determined to be ineligible.
- ❖ Provision of each voucher holder of basic information on applicable Housing Quality Standards and inspection procedures, search for and selection of housing, owner and tenant responsibilities, and basic rules.
- ❖ Determination of the amount of the total tenant payment and tenant rent.
- ❖ Determination of the amounts of housing assistance payments.
- ❖ Explanation of program procedures to owners, including those who have been approached by voucher holders.
- ❖ Review of and action on requests for lease approval, including monitoring to assure that the limitations on use of Section 8 Housing Assistance in subsidized projects are observed.
- ❖ Making housing assistance payments.
- ❖ Provision of housing information to assisted families and referral of such families to appropriate social service agencies upon request.
- ❖ Re-examination of family income, composition, and extent of exceptional health and medical care or other unusual expenses, and redetermination, appropriate, of the amount of gross family contributions and amount of housing assistance payment in accordance with HUD established schedules and criteria.
- ❖ Adjustment of the amount of tenant rent, utility reimbursement and housing assistance payment because of an adjustment by the PHA of any applicable utility allowance.
- ❖ Inspection prior to leasing and inspection; inspections at least annually determine that the units are maintained in decent, safe, and sanitary condition, and notification to owners and families of PHA determinations.
- ❖ Administration and enforcement of contracts with owners and taking appropriate actions in case of noncompliance or default.
- ❖ Compliance by the Paducah Section 8 Housing office with equal opportunity requirements, including efforts to provide composition, increase or decreases in health and medical care (elderly) or childcare expenses, increases or decreases in family income during each contract year as they occur.

2. Program Management

Location – Effective January 1, 2019, the Paducah Section 8 Housing office will be relocated to offices at 2330 Ohio Street, which is the same complex as the Housing Authority of Paducah.

The Housing Authority of Paducah shall provide management, training, oversight, and quality control that results in the fulfillment of all obligations and requirements of the HCV program in accordance with 24 CFR Part 982, as amended. Housing Authority of Paducah shall insure that all required documentation and reporting to the HUD are completed accurately and in a

timely manner, including the Annual Administrative Plan and the 5-Year Administrative Plan as required by HUD.

The Housing Authority of Paducah's website will provide a webpage about the HCV program. However, the website information about HCV program was maintained for 2 years on the city's website: <http://www.paducahky.gov/section-8-housing-assistance>

A new phone number was established. However, to insure a seamless transition for customers and clients, current phone service (270-444-8542) will be forwarded to the new phone number for 5 years.

Staffing

Program Administrator - The Executive Director of the Housing Authority of Paducah will be the Program Administrator responsible for the general oversight of the Section 8 HCV programs.

Section 8 Program Director – Supervises Housing Specialist(s) and Inspector(s) and is responsible for:

- Special programs (HUD-VASH and Scholar House including briefing of participants);
- Portability requests and processing;
- Ensuring the briefing of participants is thorough and complete;
- SEMAP requirements;
- Administrative Plan amendments, approvals and compliance (annual & 5-year);
- Homeownership and FSS programs including promotion, bank relationship, applications;
- FMR and Utility Rate updates;
- HUD reporting;
- Fraud Investigations;
- Hearings as requested;
- Various reports and duties as directed by the Program Administrator.

Housing Specialist I/II- Responsible for:

- Processing applications;
- Certifications & recertifications of income & family composition, including use of EIV system;
- Issuing vouchers;
- Processing, calculating of assistance payment (rent & utilities), and printing check payments;
- Processing move-ins and outs, and transfers;
- Preparing voucher utilization report for Coordinator;
- Preparing and issuing various determination letters (No response, Income, Inspection failure, Final Inspection failure, Reimbursement, Withdrawal, etc.);
- Maintaining tenant and landlord database;
- Prepare for audits and purging of files;
- Maintaining current forms and office supplies;
- Various reports and duties as directed by the coordinator.

Inspector – NSPIRE/HQS inspections are to be performed by a Housing Specialist, if trained in the HUD NSPIRE/HQS standards; or under contract with an appropriately trained private inspector; or the Program Administrator. Inspector is responsible for:

- Verifying address location;

- Inspecting units and approving only those units that meet HUD NSPIRE/HQS standards and local property maintenance codes;
- Explaining any deficiencies of a unit to the landlord and tenant;
- Completing inspection reports;
- Various reports and duties as directed by the coordinator.

Board of Directors – Composition of the Board includes the Mayor of the City of Paducah as the Chair of the Board, three tenant members, and three at large members until 6/30/2025.

3. Outreach

It shall be the policy of the Paducah Section 8 Housing office to aggressively promote the Section 8 Housing Choice Voucher, Family Self-Sufficiency (FSS) and Homeownership Option through public service announcements, brochures, local radio, and advertising in the local daily and weekly newspapers. In addition, all public service agencies in the Paducah area will receive information circulars describing these programs and who may receive benefits. Informational materials will be circulated among local Realtors, private rental property owners, and rental property managers for the purpose of soliciting participation. If additional listings are needed, staff members may go into the community to meet one-on-one with citizens or groups for the purpose of outreach.

The Paducah Section 8 office will actively promote the availability of housing assistance to eligible applicants by contact with local media, brochures, and community organizations. To target the "least likely to apply" applicants, the Paducah Section 8 office will provide flyers and brochures to be distributed through places of employment, union offices, neighborhood groups, churches, and commercial establishments if there is a need for outreach demonstrated by our application pool.

4. Briefing Families, Issuing Housing Choice Vouchers

- A. This PHA will provide brochures to each family, however, we believe it will be necessary to give individual instructions (small groups when possible), in order that the program may be properly explained. The staff will be available to discuss housing search problems during the introductory search period.
- B. Briefing documents to be included in each participant packet are as follows:

HOUSING CHOICE VOUCHER PACKET

- Housing Utility Allowance
- Request for Lease Approval
- Required and Prohibited Lease Provisions
- Lead Based Paint Information
- Fair Housing Information and Complaint Form
- Housing Assistance Payment Information
- Informal Hearing Information
- NSPIRE/HQS Information
- Federal Privacy Act Statement
- Statement of Family Responsibilities
- Security Deposit Information
- A Guide to Housing Vouchers
- Housing Voucher
- EIV Applicant/Participant Information
- VAWA/Emergency Transfer
- Portability

5. Administrative Fee Reserve Expenditures

All expenditures from the administrative reserve of the Section 8 programs shall be housing related and shall be approved by the Housing Authority of Paducah Board of Commissioners.

6. Monitoring Program Performance & De Minimis Errors

The Program Administrator will monitor and perform quality control audits on waiting list selection, rent reasonableness, adjusted income determination, NSPIRE/HQS enforcement, and NSPIRE/HQS quality control as required. The PHA shall correct any income determination errors exceeding the HUD de minimis threshold. The PHA will notify families within 30 days of discovery and will issue appropriate rent adjustments.

7. Purged Files

All participant files purged by this Agency will retain the original application made by the family and will include the previous one-year re-examination documentation and leasing contracts.

8. Fair Housing Policy and Equal Opportunity Housing Plan

Fair Housing Policy: The Fair Housing Policy of the Paducah Section 8 Housing office is to comply fully with all Federal, State, and local nondiscrimination laws and in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment and with the Americans with Disabilities Act. Specifically, the PHA shall not based on race, color, religion, sex, handicap, familial status, and national origin, deny any family or individual the opportunity to apply for or receive assistance under HUD's Section 8 Programs, within the requirements and regulations of HUD and other regulatory authorities. To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide access to information to Section 8 participants regarding "discrimination". Also, this subject will be discussed during the briefing session and any complaints will be documented and made part of the applicants/participant's file.

For families and/or individuals who report apparent discrimination in obtaining assisted housing, the Paducah Section 8 Housing office shall assist them by providing the family/individual with a HUD Housing Discrimination Complaint Form, HUD - 903. The individual can complete this form and report apparent discrimination to the Louisville HUB Office of Fair Housing and Equal Opportunity. For example, a resident may be trying to obtain other rental housing and/or is attempting to purchase a home and experiences apparent discrimination.

Equal Opportunity Housing Plan: The PHA is a participant in the tenant-based program and is required to comply with equal opportunity requirements imposed by contract or federal law (Ref: 24 CFR 982.S4). This includes applicable requirements under:

- The Fair Housing Act, 42 U. S. C. 3610-3619 (implementing regulations at 24 CFR parts 100, et seq.);
- Title VI of the Civil Rights Act of 1964, 42 U.S. C. 2000d (implementing regulations at 24 CFR part I);
- The Age Discrimination Act of 1975, 42 U. S. C. 6101-6107 (implementing regulations at 24 CFR, part 146);
- Executive Order 11063, Equal Opportunity in Housing (1962), as amended, Executive Order 12259, 46 FR1253 (1980), as amended, Executive Order 12892, 59FR 2939 (1994) (implementing regulations at 24 CFR, part 107);
- Section 504 of the Rehabilitation Act of 1973, 29 U.S. C. 794 (implementing regulations at 24 CFR, part 8; and
- Title II of the Americans with Disabilities Act, 42 U.S. C.12101, et seq.

Equal Opportunity Posting Requirements:

There shall be maintained in the PHA's office waiting room a bulletin board, which will accommodate the following posted materials:

- Statement of Policies and Procedures Governing the Section 8 Administrative Plan.
- Open Occupancy Notice (Applications being Accepted and/or Not Accepted)
- Income Limits for Admission.
- Utility Allowances.

- Informal Review and Hearing Procedure.
- Fair Housing Poster.
- "Equal Opportunity in Employment" Poster.

9. Limited English Proficient (LEP) Policy

It is a policy of the City of Paducah Section 8 Housing Program (PHA) to take reasonable steps to insure meaningful access to PHA programs and activities by limited English proficient (LEP) persons, taking into account the proportion of LEP persons in the eligible service population, the frequency with which LEP individuals come in contact with the program, the nature and importance of the service provided by the program, and the available resources.

In all housing programs it provides, PHA complies with applicable federal and state law, including, without limitation:

Title VI of Civil Rights Act of 1964 and the implementing regulations at 24 CFR part 1, "Nondiscrimination in Federally Assisted Programs of the Department of Housing and Urban Development-Effectuation of Title VI of the Civil Rights Act of 1964"; Executive Order 13166.

In addition, PHA complies with the related rules, regulations and procedures prescribed under the above-mentioned federal and state law.

Definition of LEP Person

Persons who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English can be LEP.

Identifying LEP Individuals who Need Language Assistance

PHA shall take reasonable steps to identify LEP persons served or encountered using the following methods:

- Using the Census Bureau "I speak" cards to invite LEP persons to identify their language needs to staff;
- Posting notices in PHA office listing commonly encountered languages and notifying LEP persons of available language assistance;
- Requesting applicants and participants to list their primary language and need for interpreter on applications and eligibility statements;
- Tracking the LEP information electronically;

Language Assistance Measure

Types of Language Services Available

PHA shall take reasonable steps to provide oral and written language services as described in this section. In determining what language services should be provided, PHA shall consider the following factors:

A. The number or Proportion of LEP Persons Served or Encountered in the Eligible Service Population

PHA shall examine its prior experiences with LEP encounters to determine the breadth and scope of language services needed. PHA shall also consult other data to refine or validate its prior experience, including the latest census data for the area served.

B. The Frequency with which LEP individuals encounter the Program

PHA shall take reasonable steps to assess, as accurately as possible, the frequency of contact with LEP persons from different language groups. The more frequent the contact with a particular

language group, the more likely that enhanced language services in that language are needed. Less frequent contact with different language groups may suggest a different and less intensified solution.

The Nature and Importance of the Program, Activity, or Service provided by the Program.

The more important the activity, information, service, or program, or the greater the possible consequences of the contact to the LEP persons, the more likely language services may be needed.

The Resources Available to PHA and Costs

While it is PHA's policy to take reasonable steps to provide meaningful access to PHA programs and activities by LEP persons, the availability of resources may limit the provision of language services in some instances "Reasonable steps" may cease to be reasonable where the costs imposed substantially exceed the benefits. PHA shall explore the most cost-effective means of delivering competent and accurate language services before limiting services due to resource concerns.

Oral Language Services (Interpretation)

PHA shall use contract interpreters and bilingual PHA or City of Paducah staff to provide the services. Where LEP persons so desire, they can use, at their own expense, an adult interpreter of their own choosing (whether a professional interpreter, family member, or friend) in place of or as a supplement to the free language services offered by PHA. PHA may, at its discretion, choose to provide their own Interpreter in addition to the one used by the family.

PHA shall take reasonable steps to insure competency of the language service provider. When providing oral language assistance, PHA shall use the following general criteria to insure effective communication with LEP persons:

- Demonstrated proficiency in and ability to communicate information accurately in both English and in the other language and identify and employ the appropriate mode of interpreting;
- Knowledge in both languages of any specialized terms or concepts peculiar to PHA's program or activity and of any vocabulary and phraseology used by the LEP person;
- Understanding of and following confidentiality and impartiality rules;
- Awareness of "regionalisms" used by the LEP person;
- Understanding of and adherence to their role as interpreters without deviating into a role as counselor, legal advisor, or other roles.

When interpretation is needed and is reasonable, it shall be provided in a timely manner to avoid the effective denial of a benefit or service. Where access to or exercise of a benefit or service is not effectively precluded by a reasonable delay, the language assistance may be reasonably delayed.

Written Language Services (Translation)

PHA shall take reasonable steps to provide written translations of vital documents that list program rules and instructions for each eligible LEP language group that constitutes 5% or 28 persons, whichever is less, of program applicants/participants. Whether or not a document (or information it solicits) is vital may depend upon the importance of the program, information, encounter, or service involved, and the consequence to the LEP person if the information in question is not provided accurately or in a timely manner. For example, applications for certain recreational activities would not generally be considered vital documents, whereas applications for housing could be considered vital.

All documents that require action from an applicant or participant should include a statement in the languages of eligible groups reading "Important information about your housing. If you need assistance, please contact us immediately." PHA shall take reasonable steps to provide oral interpretation of other documents, if needed.

For all documents available in the languages of eligible groups, the English version of the documents shall include a statement on the bottom in the languages of eligible groups reading "This form is available in (language) upon request."

For LEP language groups that constitute less than of program applicants, participants, or residents, PHA will not translate written materials, but shall take reasonable steps to provide oral interpretation of the written materials upon request.

As with oral interpreters, PHA will take reasonable steps to insure competency of translators of written documents. Where legal or other vital documents are involved, PHA shall make a reasonable effort to use certified translators.

Telephone Services

When calls are received by an LEP applicant, participant, or resident, PHA staff will make every effort to determine the language being spoken by the caller. Calls will be forwarded to PHA or City staff who speak the same language as the caller for assistance. If PHA or City staff is not available at the time of the call, the caller will be requested to call back when an interpreter can be available. An interpreter will be secured within a reasonable time frame.

On-Site Visitation

When an LEP applicant, participant or resident comes to the PHA office, PHA staff will make every effort to determine the language being spoken by the caller by using the "I Speak" cards. If PHA or City staff who speak the language are available to assist the applicant, participant, or resident, they will do so, either in person or via telephone. If PHA or City staff are not available at the time of the visit, the person will be requested to come back when an interpreter can be available. An interpreter will be secured within a reasonable time frame.

Written Communications

Correspondence received in languages other than English will be translated by PHA or City staff who speak the language, where available, or by PHA's contracted translation agency. Responses will be translated into the same language as the letter that was received.

Training Staff

PHA will insure that staff knows the obligation to provide meaningful access to information and services to LEP persons. PHA will provide training to insure that:

- Staff is competent on LEP policies and procedures; and
- Staff having contact with the public are trained to work effectively with

interpreters. The training will be included as a part of departmental orientation for new employees.

Staff will be provided with listing of forms available in languages other than English and with a list of bilingual City staff.

Providing Notice to LEP Persons

PHA shall provide a notice to LEP persons of the availability of free language assistance that insures meaningful access to PHA's programs and services. Examples of notification may include:

- Posting signs in common areas, offices, and anywhere applications are taken. The signs shall be translated into the most common languages encountered;
- Stating in outreach documents that language services are available. These statements shall be translated into the most common languages encountered;
- Working with grassroots and faith-based community organizations and other stakeholders to inform LEP persons of PHA's services, including the availability of language assistance services;

Monitoring and Updating LEP Plan

PHA will monitor the implementation of the LEP plan on an ongoing basis to determine whether new documents, programs, services, and activities need to be made accessible for LEP persons. In addition, PHA will review its LEP plan annually to evaluate the following information:

- Proportion of LEP persons in the eligible service population;
- Frequency of encounters with LEP language groups;
- Nature and importance of activities to LEP persons;
- Availability of resources;
- Whether existing language assistance meets the needs of LEP persons;
- Whether staff knows and understands LEP plan and its implementation.

SEE Appendix C page

10. Reduction of Families Due to Reduced Funding

In the event of a reduction of federal funding, the PHA will utilize a family reduction plan as follows:

- A. Terminate HAP contracts for families that are receiving the least rental assistance not to exceed 5% of total families assisted, if reduction is not adequate;
- B. Terminate HAP contracts for families based upon the most recent executed rental agreements to the extent that remedies reduction forecast.
- C. All terminated families due to reduced funding will be offered preference placement on a waiting list to be re-assisted when adequate funding exists.

* * * * *

Part VIII. MANAGEMENT ASSESSMENT OBJECTIVES

The Paducah Section 8 Housing office policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators.

- Selection from the Waiting List
- Reasonable Rent
- Determination of Adjusted Income
- Utility Allowance Schedule
- NSPIRE/HQS Quality Control Inspections
- NSPIRE/HQS Enforcement
- Expanding Housing Opportunities
- FMR/exception rent & Payment Standards
- Annual Re-examinations
- Correct Tenant Rent Calculations
- Pre-Contract NSPIRE/HQS Inspections
- Annual NSPIRE/HQS Inspections
- Lease-up
- Family Self-Sufficiency Enrollment and Escrow Account Balances

A qualified person will perform supervisory quality control reviews on the following SEMAP indicators:

- Selection from the waiting list
- Rent reasonableness
- Determination of adjusted income
- NSPIRE/HQS Enforcement
- NSPIRE/HQS Quality Control
- Annual Re-examinations
- Correct Tenant Rent Calculations
- Pre-Contract NSPIRE/HQS Inspections

The annual sample of files and records will be drawn in an unbiased manner that is documented.

The minimum sample size to be reviewed for each SEMAP indicator is provided in 24 CFR Part 985 and will relate directly to each factor.

APPENDIX: 2026 Fair Market Rates and 2025 Income Limits



FY 2025 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2025 McCracken County, KY FMRs for All Bedroom Sizes

Final FY 2025 & Final FY 2024 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2025 FMR	\$693	\$781	\$1,011	\$1,218	\$1,698
FY 2024 FMR	\$672	\$755	\$992	\$1,214	\$1,569

McCracken County, KY is a non-metropolitan county.



FY 2025 INCOME LIMITS DOCUMENTATION SYSTEM

[HUD.gov](https://www.hud.gov) [HUD User Home Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2025 Income Limits Summary

FY 2025 Income Limit Area	Median Family Income Click for More Detail	FY 2025 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
McCracken County, KY HUD Metro FMR Area	\$90,200	Very Low (50%) Income Limits (\$) Click for More Detail	31,600	36,100	40,600	45,100	48,750	52,350	55,950	59,550
		Extremely Low Income Limits (\$)* Click for More Detail	18,950	21,650	26,650	32,150	37,650	43,150	48,650	54,150
		Low (80%) Income Limits (\$) Click for More Detail	50,550	57,750	64,950	72,150	77,950	83,700	89,500	95,250

APPENDIX: 2026 Utility Allowances

Single-family / Manufactured Home

Utility Allowance Schedule
 See Public Reporting and Instructions on back.

**U.S Department of Housing and
 Urban Development**
 Office of Public and Indian Housing

OMB Approval No. 2577-0169
 exp. 04/30/2026

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA		Unit Type					Date (mm/dd/yyyy)
City of Paducah Section 8 /KY137		Single Family/Manufactured Home					05/01/2025
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas		29	29	36	36	
	Bottled Gas		52	52	69	69	
	Electric		90	90	93	96	
	Electric – Heat Pump		99	99	103	107	
	Fuel Oil		97	97	102	106	
	Other						
Cooking	Natural Gas	7	7	7	9	9	
	Bottled Gas	7	7	13	18	24	
	Electric	3	4	10	12	12	
	Other						
Other Electric		17	32	36	47	52	
Air Conditioning			31	31	37	43	
Water Heating	Natural Gas	9	9	10	11	19	
	Bottled Gas	13	16	17	18	24	
	Electric	16	29	35	43	48	
	Electric – Heat Pump		50	50	52	54	
	Fuel Oil	18	32	39	47	53	
Water		28	28	28	39	46	
Sewer		21	21	21	21	21	
Trash Collection		30	30	30	30	30	
Other – specify							
Range/Microwave		6	6	6	6	6	
Refrigerator		7	7	7	7	7	
Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance	
Head of Household Name					Heating		
Unit Address					Cooking		
					Other Electric		
Number of Bedrooms					Air Conditioning		
					Water Heating		
					Water		
					Sewer		
					Trash Collection		
Number of Bedrooms					Other		
					Range/Microwave		
					Refrigerator		
					Total		

Walk-up / multi-family

Utility Allowance Schedule
 See Public Reporting and Instructions on back.

**U.S Department of Housing and
 Urban Development**
 Office of Public and Indian Housing

OMB Approval No. 2577-0169
 exp. 04/30/2026

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA		Unit Type					Date (mm/dd/yyyy)
City of Paducah Section 8 /KY137		WALK UP MULTI FAMILY SINGLE					05/01/2025
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	10	10	19	23		
	Bottled Gas	18	21	33	46		
	Electric	35	45	52	61		
	Electric – Heat Pump		100	100	104		
	Fuel Oil	36	64	78	94		
Other							
Cooking	Natural Gas	7	7	7	9	9	
	Bottled Gas	7	7	13	18	24	
	Electric	3	4	10	12	12	
	Other						
Other Electric		17	32	36	47	52	
Air Conditioning		12	13	26	31		
Water Heating	Natural Gas	9	9	10	11	19	
	Bottled Gas	13	16	17	18	24	
	Electric	16	29	35	43	48	
	Electric – Heat Pump		50	50	52	54	
	Fuel Oil	18	32	39	47	53	
Water		28	28	28	39	46	
Sewer		21	21	21	21	21	
Trash Collection		30	30	30	30	30	
Other – specify							
Range/Microwave		6	6	6	6	6	
Refrigerator		7	7	7	7	7	
Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance	
Head of Household Name					Heating		
Unit Address					Cooking		
					Other Electric		
					Air Conditioning		
					Water Heating		
Number of Bedrooms					Water		
					Sewer		
					Trash Collection		
					Other		
					Range/Microwave		
					Refrigerator		
					Total		

Previous versions are obsolete.

Duplex / Townhouse

Utility Allowance Schedule
 See Public Reporting and Instructions on back.

**U.S Department of Housing and
 Urban Development**
 Office of Public and Indian Housing

OMB Approval No. 2577-0169
 exp. 04/30/2026

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA		Unit Type					Date (mm/dd/yyyy)	
City of Paducah Section 8 /KY137		DUPLEX TOWNHOUSE ROWHOUSE					05/01/2025	
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	Natural Gas	11	19	23	26	31		
	Bottled Gas	29	34	46	52	62		
	Electric	46	58	78	88	94		
	Electric – Heat Pump		50	50	52	54		
	Fuel Oil	36	64	78	94	106		
	Other							
Cooking	Natural Gas	7	7	7	9	9		
	Bottled Gas	7	7	13	18	24		
	Electric	3	4	10	12	12		
	Other							
Other Electric		17	32	36	47	52		
Air Conditioning		14	19	32	40	46		
Water Heating	Natural Gas	9	9	10	11	19		
	Bottled Gas	13	16	17	18	24		
	Electric	16	29	35	43	48		
	Electric – Heat Pump		50	50	52	54		
	Fuel Oil	18	32	39	47	53		
Water		28	28	28	39	46		
Sewer		21	21	21	21	21		
Trash Collection		30	30	30	30	30		
Other – specify								
Range/Microwave		6	6	6	6	6		
Refrigerator		7	7	7	7	7		
Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.						Utility/Service/Appliance	Allowance	
Head of Household Name						Heating		
Unit Address						Cooking		
Number of Bedrooms						Other Electric		
						Air Conditioning		
						Water Heating		
						Water		
						Sewer		
						Trash Collection		
						Other		
						Range/Microwave		
						Refrigerator		
						Total		

Previous versions are obsolete.

EMERGENCY TRANSFER PLAN FOR VICTIMS
OF DOMESTIC VIOLENCE, DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING

U.S. Department of Housing and Urban Development
OMB Approval No. 2577-0286
Expires 06/30/2017

City of Paducah Section 8 Housing Choice Voucher Program VAWA Emergency Transfer Plan

Emergency Transfers

The City of Paducah Section 8 Housing Choice Voucher program (S8HCV) is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA),¹ HP allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.² The ability of HP to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether HP has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development

¹ Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

² Housing providers cannot discriminate based on any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

(HUD), the Federal agency that oversees that City of Paducah (SSHCV) program follows VAWA.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify HP's management office and submit a written request for a transfer to City of Paducah (SSHCV) program 2330 Ohio St Paducah KY 42003. City of Paducah Section 8 Housing Choice Voucher Program will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under City of Paducah (SSHCV) program: OR

2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Confidentiality

City of Paducah (S&HCV) program will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives City of Paducah (S&HCV) program written permission to release the information on a time limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence Against Women Act for All Tenants for more information about the City of Paducah (S&HCV) program responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfer Timing and Availability

The City of Paducah (S&HCV) program cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. City of Paducah (S&HCV) program will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has

been transferred. The City of Paducah (S8HCV) program may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the City of Paducah (S8HCV) program has no safe and available units for which a tenant who needs an emergency is eligible, the City of Paducah (S8HCV) program will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, the City of Paducah (S8HCV) program will also assist tenants in contacting the local organizations aiding victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

Safety and Security of Tenants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

Safety Resources

Merryman House Domestic Crisis 1.800.585.2686

Local (270) 443-6001

TTY (270)226-1149

Email: info@merrymanhouse.org

US Fair Housing & Opportunity (502) 582-5139

A. EFFECTIVE DATE, COMPLIANCE, AND UPDATES TO PHA OWNER POLICIES

To comply with HOTMA, the Paducah Section 8 HCV program will submit transactions to the Housing Information Portal (HIP). “Compliance” means, in this instance, utilizing the HOTMA rules as it applies to the affected programs and corresponding reporting in HIP.

Per requirements in Section 104 of HOTMA, 24 CFR 5.618 the Paducah Section 8 HCV program will restrict the eligibility of a family to receive assistance if the family owns real property that is suitable for occupancy by the family as a residence or has assets more than \$100,000, as adjusted annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers.

When calculating a household’s income, including asset income, at the time of admission to the program or during interim re-examinations, Paducah Section 8 HCV program will use anticipated income (current income) (i.e., the family’s estimated income for the upcoming 12-month period). This requirement is consistent with the pre-HOTMA process for conducting income examinations at admission and for interim reexaminations.

Paducah Section 8 HCV program will not use “safe harbor” income verification from another federal means-tested program to verify gross annual income. During annual re-examinations, except where the Paducah Section 8 HCV program uses a streamlined income determination under 24 CFR §§ 5.657(d), 960.257(c), or 982.516(b) (see Attachment I (paragraph I.8) (Streamlined Income Determination)), Paducah Section 8 HCV program will first determine the family’s income for the previous 12-month period and use this amount as the family income for annual reexaminations; however, adjustments to reflect current income must be made. Any change of income since the family’s last annual reexamination, including those that did not meet the threshold to process an interim reexamination of family income in accordance with the Paducah Section 8 HCV program policies and 24 CFR §§ 5.657(c), 960.257(b), or 982.516(c), must be considered. Income from assets is always anticipated, irrespective of the income examination type.

Determine the annual income for the previous 12-month period as defined at 24 CFR § 5.609(a) and (b). If there have been no changes to income beyond this calculation, then this is the amount that will be used to determine the family’s rental assistance. If there are no reported changes to an income source, the Paducah Section 8 HCV program will use documentation of prior-year income to calculate the annual income used for the current annual reexamination HUD–50058.

De Minimis Errors

Regulations: 24 CFR §§ 5.609(c)(4); 5.657(f); 960.257(f); 982.516(f); 882.515(f); 882.808(i)(5); 891.105; and 891.655

Paducah Section 8 HCV program will not be considered out of compliance solely due to de minimis errors in calculating family income. De minimis errors occur when a

PHA/MFH Owner's determination of a family's income deviates from the correct income determination by no more than \$30 per month in monthly adjusted income (or \$360 in annual adjusted income).

As Paducah Section 8 HCV program becomes aware of the existence of an income calculation error, we will correct the error(s) retroactive to the effective date of the action the error was made regardless of the dollar amount associated with the error. Paducah Section 8 HCV program will take corrective action to credit or repay a family if the family is overcharged tenant rent, including when Paducah Section 8 HCV program makes de minimis errors in the income determination. Families will not be required to repay the Paducah Section 8 HCV program in instances where the Paducah Section 8 HCV program miscalculated income resulting in a family being undercharged for rent. A check will be made out to the tenant no later than the following month that the de minimis error was discovered.

Paducah Section 8 HCV program will consider mandatory deductions when determining a family's annual adjusted income. Paducah Section 8 HCV program will also consider additional (permissive) deductions to a family's annual income established by a written policy in the PHA's Administrative Plan.

Effective January 1, 2024, the dependent deduction amount is \$480. This amount will be adjusted annually and applies to a family's next annual or interim reexamination after the annual adjustment, whichever is sooner. Not later than September 1 annually, HUD will publish the CPI-W adjusted dependent deduction to the HUD User Web site. Paducah Section 8 HCV program will implement the adjusted dependent deduction for all income examinations that are effective on January 1 or later.

Effective January 1, 2024, the elderly/disabled family deduction increases from \$400 to \$525 and applies to a family's next interim or annual reexamination, whichever is sooner. The amount of the deduction will be adjusted annually (see Attachment H). Not later than September 1 annually, HUD will publish the CPI-W adjusted elderly/disabled family deduction to the HUD User Web site. PHAs/MFH Owners must implement the adjusted elderly/disabled family deduction for all income examinations that are effective on January 1 or later.

Unreimbursed Health and Medical Care Expenses and Reasonable Attendant Care and Auxiliary Apparatus Expenses Deduction

The final rule establishes that the sum of unreimbursed health and medical care and reasonable attendant care and auxiliary expenses that exceed 10 percent of the family's annual income can be deducted from annual income. Prior to January 1, 2024, the threshold was 3 percent of the family's annual income.

Regulation: 24 CFR § 5.603

Health and medical care expenses, as defined in 24 CFR § 5.603, include costs incurred

for the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed. Medical insurance premiums continue to be eligible health and medical care expenses. However, health and medical care expenses may be deducted from annual income only if they are eligible and not otherwise reimbursed and may only be deducted for elderly or disabled families. In order to claim the deduction for the cost of unreimbursed reasonable attendant care and auxiliary apparatus expenses, the family must include a person with a disability, and the expenses must enable any member of the family (including the member who is a person with a disability) to be employed. If the unreimbursed reasonable attendant care and auxiliary apparatus expense exceeds the amount earned by the person who was enabled to work, the deduction will be capped at the amount earned by that individual.

Hardship Exemptions for Health and Medical Care Expenses and Reasonable Attendant Care and Auxiliary Apparatus Expenses

Regulations: 24 CFR §§ 5.611(c)(1); 5.611(c)(1)(D); and 5.611(c)(2)

Summary: The threshold to deduct health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses has been increased from an excess of 3 to an excess of 10 percent of annual income. Concurrently with this increase, the regulations provide financial hardship exemptions for unreimbursed health and medical care expenses, and for reasonable attendant care and auxiliary apparatus expenses for eligible families. A family will benefit from this hardship exemption only if the family has eligible expenses that can be deducted in excess of 5 percent of annual income. In order to claim unreimbursed health and medical care expenses, the family must have a head, co-head, or spouse that is elderly or a person with a disability. In order to claim unreimbursed reasonable attendant care and auxiliary apparatus expenses, the family must include a person with a disability, and the expenses must enable any member of the family (including the member who is a person with a disability) to be employed.

Families may be eligible for relief under one of two categories; phased-in relief or general relief, as defined below. Note: A family receiving phased-in relief may request to receive general hardship relief instead; once a family chooses to obtain general relief, a family may no longer receive the phased-in relief. PHAs/MFH Owners must track the 24-month phase-period for each eligible family, even if a family's expenses go below the appropriate phase-in percentage, during the first or second 12-month phase-in period. The phase-in must continue for families who move with continued assistance in the HCV program or port to another PHA. The phase-in must also continue for families who move to another Public Housing unit at the same PHA, or who transfer internally to another unit within the same property. The family must receive phased-in relief if they are determined to be eligible as of January 1, 2024.

Phased-In Relief

This section describes the phased-in relief for families affected by the statutory increase in the threshold to receive unreimbursed health and medical care and reasonable attendant care and auxiliary apparatus expense deductions from annual income. All families who received a deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income review prior to January 1, 2024, will begin receiving the 24-month phased-in relief at their next annual reexamination or interim reexamination, whichever occurs first after January 1, 2024. Families who receive phased-in relief will have eligible expenses deducted that exceed 5 percent of annual income for 12 months. Twelve months after the 5 percent phase-in began, families will have eligible expenses deducted that exceed 7.5 percent of annual income for the immediately following 12 months. After the family has completed the 24 months phase-in at the lower thresholds, as described above, the family will remain at the 10 percent threshold, unless the family qualifies for relief under the general hardship relief provision. When an eligible families phased-in relief begins at an interim reexamination, the Paducah Section 8 HCV program will need to process another transaction one year later to move the family along to the next phase. The transaction can be either an interim reexamination if triggered, or a non-interim reexamination transaction.

General Relief

This section describes when a family is eligible for general relief related to the health and medical care expense and reasonable attendant care and auxiliary apparatus expense deduction. To receive general relief, a family must demonstrate that the family's unreimbursed health and medical care expenses or unreimbursed reasonable attendant care and auxiliary apparatus expenses increased, or the family's financial hardship is a result of a change in circumstances that would not otherwise trigger an interim reexamination. Relief is available regardless of whether the family previously received an unreimbursed health and medical care expense deduction, unreimbursed reasonable attendant care and auxiliary apparatus expense deduction, are currently receiving phased-in hardship relief, or were previously eligible for either this general relief or the phased-in relief. If a PHA/MFH Owner determines that a family is eligible for general relief, the family will receive a deduction for the sum of the eligible expenses that exceed 5 percent of annual income. The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever comes earlier. However, PHAs/MFH Owners may, pursuant to their own discretionary policy, extend the relief for one or more additional 90-day periods while the family's hardship condition continues.

Child-Care Expenses Deduction and Hardship Exemption to Continue Child-Care Expenses Deduction

Regulation: 24 CFR §§ 5.603 Child-Care Expenses and 5.611(d) See also Attachment I (paragraph I.4) (Non-Interim Reexamination Transactions). Summary: Under 24 CFR § 5.611(d), any reasonable child-care expenses necessary to enable a member of the family to be employed or to further their education are deducted from income. Reasonable child-care expenses are defined in 24 CFR § 5.603(a) and are expenses for the care of children (including foster children if the unreimbursed child-care expenses are paid from the

family's annual income and not from another source, such as 32 a stipend from the child welfare agency), age 12 and younger, when all the following statements are true:

- The care is necessary to enable a family member to be employed or to further his or her education (e.g., work, look for work, or further their education (academic or vocational));
- The expense is not reimbursed by an agency or individual outside the household; and
- The expenses incurred to enable a family to work do not exceed the amount of employment income that is included in annual income.

A family whose eligibility for the child-care expense deduction is ending may receive a hardship exemption to continue receiving a child-care expense deduction in certain circumstances when the family no longer has a member that is working, looking for work, or seeking to further their education, and the deduction is necessary because the family is unable to pay their rent. When a family requests a hardship exemption to continue receiving a child-care expense deduction that is ending, the Paducah Section 8 HCV program must recalculate the family's adjusted income and continue the child-care deduction if the family demonstrates to the Paducah Section 8 HCV program satisfaction that the family is unable to pay their rent (Policy for Determination of the Family's Inability to Pay Rent) because of loss of the child-care expense deduction and the child-care expense is still necessary even though the family member is no longer working, looking for work, furthering their education. The hardship exemption and the resulting alternative adjusted income calculation must remain in place for a period of up to 90 days. The Paducah Section 8 HCV program, at our discretion, may extend such hardship exemptions for additional 90-day periods based on family circumstances. To initiate, extend or conclude a hardship exemption, Paducah Section 8 HCV program will submit a non-interim transaction code on form HUD-50058, unless there is an accompanying event that triggers an interim reexamination.

Additional (Permissive) Deductions

Regulation: 24 CFR § 5.611(b)(1)

Summary: Paducah Section 8 HCV program may, but is not required, to establish an additional deduction or deductions from a family's annual income. These deductions are also known as "permissive deductions." Note that the Paducah Section 8 HCV program is aware that the public housing Operating Fund formula is not revised to account for any decrease in PHA revenue attributable to implementing permissive deductions. Likewise, the subsidy costs attributable to implementing permissive deductions will not be taken into consideration in determining the Paducah Section 8 HCV program renewal funding or moderate rehabilitation funding. Paducah Section 8 HCV program understands that adopting permissive deductions is required to incorporate these policies as part of our Administrative Plan.

Definition of Family

Regulation: 24 CFR § 5.403 Summary: The final rule revises the definition of family to also include a single person who:

- Is an otherwise eligible youth who has attained at least 18 years of age and not more

than 24 years of age;

- Has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)); and
- Is homeless or is at risk of becoming homeless at age 16 or older.

The definition of “family” in the final rule incorporates revisions made to the 1937 Act by the Fostering Stable Housing Opportunities provisions of the Consolidated Appropriations Act, 2021, which expands the definition of “single persons.”

New Definitions of Foster Adult and Foster Child Regulation:
24 CFR § 5.603

Summary: The final rule establishes definitions for “foster adult” and “foster child.” A foster adult is defined as a member of the household who is 18 years or older and meets E1 SPRACs have a program-specific definition of Family found in paragraph 2.3 (Families to be Housed) of the SPRAC II (form HUD-93742a). 40 the definition of a foster adult under state law. State-level agencies define who is considered a foster adult/child, so the classification may vary from state to state.

In general, a foster adult is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court of competent authority.

A foster child is defined as a member of the household who meets the definition of a foster child under state law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree, or other order of any court of competent authority.

Foster adults/children are not considered family members and must not be included in calculations of income for eligibility and rent determination purposes. However, foster adults/children are considered household members and must be included when determining unit size or subsidy standards based on established policies. The definition of “dependent” under § 5.603 was revised to explicitly exclude foster children and foster adults.

Families may be eligible to continue to receive the child-care expense deduction, pursuant to a hardship exemption, when the unreimbursed child-care expense is for the care of a foster child under the age of 13, but only if the unreimbursed child-care expense for the care of the foster child is paid from the family’s annual income (and not another source, such as a stipend from a child welfare agency). When a member of an assisted family is temporarily placed in foster care (as confirmed by the state child welfare agency), the member is still counted as a family member in the unit from which they were removed. This means that a foster child or foster adult could be considered an assisted family member in one household while also being a foster child or adult in another household and receiving consideration in both families’ voucher size and/or unit

size.

Annual Income

Regulations: 24 CFR §§ 5.609(a)(1)–(a)(2); and 891.105

Annual income includes all amounts received from all sources by each member of the family who is 18 years of age or older, the head of household, or spouse of the head of household, in addition to unearned income received by or on behalf of each dependent who is under 18 years of age.

All amounts received by the head of the household, co-head, or spouse, including the income of a day laborer, independent contractor, and seasonal worker are included in annual income.

Note: Annual income includes “all amounts received,” not the amount that a family may be legally entitled to receive but which they do not receive. A family’s child support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders. A copy of a court order or other written payment agreement alone may not be sufficient verification of amounts received by a family.

Annual income also includes all actual anticipated income from assets even if the asset is excluded from net family assets but the income from the asset is not otherwise excluded. Imputed returns on net family assets are included in annual income only when net family assets exceed \$50,000 (a figure that is annually adjusted for inflation) and actual asset income cannot be calculated for all assets. Paducah Section 8 HCV program will not impute income from assets if the total value of net family assets is equal to or less than \$50,000 (as adjusted by inflation).

Earned Income

Regulation:

24 CFR § 5.100

Summary: Earned Income is defined as income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare assistance, Social Security, and other governmental subsidies/benefits), or any cash or in kind benefits.

Definition of Unearned Income

Regulation: 24 CFR § 5.100

Summary: Unearned income means any annual income that is not earned income. Net family assets are defined as the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of investment, except as excluded.

Assets

Assets with negative equity.

The cash value of real property^{F1} or other assets with negative equity would be considered \$0 for the purposes of calculating net family assets. Negative equity in real property or other investments does not prohibit the family from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

Assets disposed of for less than fair market value.

In determining the value of net family assets, PHAs/MFH Owners must include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust,^{F2} but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received.

Exclusions from Net Family Assets

Regulations: 24 CFR § 5.603(b)(3)–(b)(4)

Required exclusions from net family assets include the following:

- The value of necessary items of personal property.
- The value of all non-necessary items of personal property with a total combined value of \$50,000 or less, annually adjusted for inflation.
- The value of any account under a retirement plan recognized as such by the Internal Revenue Service, including Individual Retirement Accounts (IRAs), employer retirement plans (e.g., 401(k), 403(b)), and retirement plans for self-employed individuals.
- The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located. Examples of this include but are not limited to: co-ownership situations (including situations where one owner is a victim of domestic violence), where one party cannot unilaterally sell the real property; property that is tied up in litigation; inherited property in dispute.
- Any amount recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family being a person with disabilities.
- The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986; the value of any qualified tuition program under section 529 of such Code; and the amounts in, contributions to, and distributions from any Achieving a Better Life Experience (ABLE) account authorized under section 529A of such code.
- The value of any “baby bond” account created, authorized, or funded by the federal, state, or local government (money held in trust by the government for children until they are adults).
- Interests in Indian trust land.

- Equity in a manufactured home where the family receives assistance under 24 CFR Part 982. 47
 - Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR Part 982.
 - Family Self-Sufficiency accounts.
 - Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family.
 - The full amount of assets held in an irrevocable trust.
-
- The full amount of assets held in a revocable trust where a member of the family is the beneficiary, but the grantor/owner and trustee of the trust is not a member of the participant family or household.

Necessary and Non-Necessary Personal Property

Regulation: 24 CFR § 5.603

Summary: Necessary personal property is excluded from net family assets. Non-necessary personal property with a combined value greater than \$50,000, as adjusted by inflation, is considered part of net family assets. When the combined value of all non-necessary personal property does not exceed \$50,000, as adjusted by inflation, all non-necessary personal property is excluded from net family assets. All assets are categorized as either real property (e.g., land, a home) or personal property. Personal property includes tangible items, like boats, as well as intangible items, like bank accounts. Necessary personal property are items essential to the family for the maintenance, use, and occupancy of the premises as a home; or they are necessary for employment, education, or health and wellness.

Necessary Personal Property

Car(s)/vehicle(s) that a family relies on for transportation for personal or business use (e.g., bike, motorcycle, skateboard, scooter)

- Furniture, carpets, linens, kitchenware • Common appliances
- Common electronics (e.g., radio, television, DVD player, gaming system)
- Clothing
- Personal effects that are not luxury items (e.g., toys, books)
- Wedding and engagement rings
- Jewelry used in religious/cultural celebrations and ceremonies
- Religious and cultural items
- Medical equipment and supplies
- Health care–related supplies
- Musical instruments used by the family
- Personal computers, phones, tablets, and related equipment
- Professional tools of trade of the family, for example professional books
- Educational materials and equipment used by the family, including equipment to accommodate persons with disabilities

- Equipment used for exercising (e.g., treadmill, stationary bike, kayak, paddleboard, ski equipment)

Non-Necessary Personal Property

Recreational car/vehicle not needed for day-to-day transportation (campers, motorhomes, travel trailers, all-terrain vehicles (ATVs))

- Bank accounts or other financial investments (e.g., checking account, savings account, stocks/bonds)
- Recreational boat/watercraft
- Expensive jewelry without religious or cultural value, or which does not hold family significance
- Collectibles (e.g., coins/stamps)
- Equipment/machinery that is not used to generate income for a business
- Items such as gems/precious metals, antique cars, artwork, etc.

Trusts Regulations:

24 CFR §§ 5.603 and 5.609

Summary: Whether the value of a trust counts as a net family asset and whether distributions from the trust count as annual income to the family depend on the following three factors:

- Whether the trust is under the control of the family;
- Whether distributions are made from the trust's principal; and
- The purpose of the distribution, if the distribution is made from income earned on the trust's principal.

Trusts as Net Family Assets

The value of irrevocable trusts and revocable trusts that are not under the control of the family are both excluded from net family assets. The distinguishing feature of a revocable trust is that the grantor can terminate and/or amend the trust at any time for any reason before his or her death.

A revocable trust that is under the control of the family or household (e.g., the grantor is a member of the assisted family or household) is included in net family assets, and, therefore, income earned on the trust is included in the family's income from assets. This also means that Paducah Section 8 HCV program will calculate imputed income on the revocable trust if net family assets are more than \$50,000, as adjusted by inflation, and actual income from the trust cannot be calculated (e.g., if the trust is comprised of farmland that is not in use).

Federal Tax Refunds or Refundable Tax Credits

Regulations: 24 CFR § 5.603

Summary: All amounts received by a family in the form of federal tax refunds or refundable tax credits are excluded from a family's net family assets for a period of 12 months after receipt by the family.

Passbook Rate

Regulations: 24 CFR § 5.609(a)(2)

Summary: HUD will annually publish a passbook rate based on the Federal Deposit Insurance Corporation (FDIC) National Deposit Rate for savings accounts, which is an average of national savings rates published on a monthly basis. PHA must use the HUD-published passbook rate when calculating imputed asset income for net family assets that exceed \$50,000 (a figure that is annually adjusted for inflation). The HUD-published passbook rate will be posted to a dataset on the HUD User Web site, alongside annual inflationary adjustments. Paducah Section 8 HCV program will be required to use the HUD-published passbook rate.

Actual and Imputed Income from Assets

Regulation: 24 CFR § 5.609(a)(2)

Summary: Actual income and imputed income are treated as described below. F.6.a Actual Income Actual income from assets is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded. Income or returns from assets are generally considered to be interest, dividend payments, and other actual income earned on the asset, and not the increase in market value of the asset. The increase in market value is relevant to the cash value of the asset for the purpose of determining total net family assets and imputing income.

Self-Certification of Net Family Assets Equal to or Less Than \$50,000 (as adjusted for inflation)

Regulations: 24 CFR §§ 5.603; 5.609; 5.618; 5.659(e); 882.515(a); 882.808(i)(1); 891.105; 960.259(c)(2); and 982.516(a)(3)

Summary: Paducah Section 8 HCV program may determine net family assets based on a self-certification by the family that the family's total assets are equal to or less than \$50,000, adjusted annually for inflation, without taking additional steps to verify the accuracy of the declaration at admission and/or reexamination. Paducah Section 8 HCV program are not required to obtain third-party verification of assets if they accept the family's self-certification of net family assets. When Paducah Section 8 HCV program accept self-certification of net family assets at reexamination, the Paducah Section 8 HCV program must fully verify the family's assets every three years.

Paducah Section 8 HCV program are not required to adopt a policy to allow for self-certification of net family assets for families with net family assets that are equal to or below \$50,000, adjusted annually for inflation. Paducah Section 8 HCV program will choose to accept self-certifications of assets. Third-party verification of assets is required when net family assets exceed \$50,000, adjusted annually by HUD.

Nonrecurring Income

Regulation: 24 CFR §§ 5.609(b)(24) and CFR 891.105

Summary: Income that will not be repeated beyond the coming year (i.e., the 12 months following the effective date of the certification), based on information provided by the family, is considered non-recurring income and is excluded from annual income.

However, income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under § 5.609(b)(24), even if the source, date, or amount of the income varies. Income that has a discrete end date and will not be repeated beyond the coming year during the family's upcoming annual reexamination period will be excluded from a family's annual income as nonrecurring income. This does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that can be extended.

The following list of exclusions is codified at 24 CFR § 5.609(b)(24) as nonrecurring income.

Please note that the list is not exhaustive:

- Payments from the U.S. Census Bureau for employment lasting no longer than 180 days and not culminating in permanent employment;
- Direct federal or state economic stimulus payments;
- Amounts directly received by the family as a result of state refundable tax credits or state tax refunds at the time they are received;
- Amounts directly received by the family as a result of federal refundable tax credits or federal tax refunds at the time they are received;
- Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding, baby shower, or anniversary gifts);
- In-kind donations (e.g., food, clothing, or toiletries received from a food bank or similar organization); and
- Lump-sum additions to net family assets (e.g., lottery winnings, contest winnings, etc.).

Lump-Sum Additions to Net Family Assets

Regulation: 24 CFR § 5.609(b)(24)(vii)

Summary: Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings, are excluded from annual income. These amounts may count toward net family assets in accordance with 24 CFR § 5.603.

Civil Action Recoveries or Settlements Regulation:

24 CFR § 5.609(b)(7)

Summary: Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family becoming a person with disabilities are excluded from annual income. Any amounts recovered are excluded irrespective of whether they are received periodically or in a lump sum payment.

Earned Income of Dependent Full-Time Students

Regulation: 24 CFR § 5.609(b)(14)

Summary: Earned income of dependent full-time students in excess of the amount of the deduction for a dependent in § 5.611 is excluded from annual income. Full-time students must be dependent family members for this exclusion to apply. This exclusion does not apply to the head of household, spouse, or co-head. This means that the first \$480 of the

income earned by dependent full-time students will be included in the family's calculation of annual income. The dependent deduction will be adjusted annually in accordance with the (CPI-W). Full-time dependent students are eligible to receive both the \$480 (as adjusted for inflation) dependent deduction and the exclusion.

Adoption Assistance Payments

Regulation: 24 CFR § 5.609(b)(15)

Summary: Adoption assistance payments in excess of \$480 per adopted child are excluded from the family's calculation of annual income. This amount will be adjusted annually in accordance with the CPI-W All dependents, including adopted family members, are eligible to receive the \$480 (as adjusted for inflation) dependent deduction and the exclusion.

Veterans Regular Aid and Attendance

Regulation: 24 CFR § 5.609(b)(17)

Summary: Payments to veterans in need of regular aid and attendance are excluded from annual income under 38 U.S.C. 1521. This income exclusion applies only to veterans in need of regular aid and attendance and not to other beneficiaries of the payments, such as a surviving spouse. Certain veterans are eligible for "aid and attendance" payments from the Veterans Affairs (VA) Administration. These payments are distinct from payments made to veterans under other VA programs, including the Veterans Pension program. PHAs/MFH Owners should carefully review any income documentation provided by the family, because many types of VA income, including the Veterans Pension and the VA Survivors Pension, are included in annual income.

Home-Based Care Payments for a Family Member(s) with a Disability(ies)

Regulation: 24 CFR § 5.609(b)(19)

Summary: Payments made by or authorized by a state Medicaid agency (including through a managed-care entity) or other state or federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit are excluded from the calculation of the family's annual income. Authorized payments may include payments to a member of the assisted family through the state Medicaid agency (including through a managed-care entity) or other state or federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit. A family member with a disability qualifies for this income exclusion. Amounts received may be intended for items such as services, equipment, and compensation provided to a family member. The payments are excluded from income as long as the amounts are provided to enable a family member with a disability to remain in the family's assisted unit. Both the person providing the care and the person who has the disability must be family members (not household members) and must live in the same assisted household. The exclusion does not apply to income earned by the family for other caregiving services provided to individuals outside of the assisted household.

Loan Proceeds

Regulation: 24 CFR § 5.609(b)(20)

Summary: Loan proceeds (the net amount disbursed by a lender to a borrower under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family to finance the purchase of a car) are excluded from annual income. The 68 loan borrower or co-borrower must be a member of the family for this income exclusion to be applicable. Loan proceeds may include, but are not limited to, personal loans (with a loan agreement) and student loans, regardless of whether the proceeds are received in the form of a refund to the student.

Replacement Housing Gap Payments

Regulation: 24 CFR § 5.609(b)(23)

Summary: Replacement housing “gap” payments made in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (“URA”), as implemented by 49 CFR Part 24, are excluded from annual income. “Gap” payments offset the increased out-pocket costs of displaced persons who move from one federally subsidized housing unit to another federally subsidized housing unit. However, replacement housing “gap” payments are not excluded from annual income if the increased cost of rent and utilities is reduced or eliminated, and the displaced person retains or continues to receive the replacement housing “gap” payments. Replacement housing “gap” payments should cover a minimum of 42 months of tenancy at the new unit.

Student Financial Assistance

Regulation: 24 CFR § 5.609(b)(9)

Summary: The treatment of student financial assistance depends on the HUD program, student/household characteristics, and the type of financial assistance received by the student. The student financial assistance rules apply to both full-time and part-time students. The two types of student financial assistance applicable to MFH and PIH programs are described below. Amounts Received Under Section 479B of the Higher Education Act (HEA) of 1965, as amended (20 U.S.C. 1087uu) Section 479B provides that certain types of student financial assistance are to be excluded in determining eligibility for benefits made available through federal, state, or local programs financed with federal funds. The types of financial assistance listed below are considered 479B student financial assistance programs; however, this list is not exhaustive, and 479B will be updated as of July 1, 2024.

- Federal Pell Grants;
- Teach Grants;
- Federal Work Study Programs;
- Federal Perkins Loans;
- Student financial assistance received under the Bureau of Indian Education;
- Higher Education Tribal Grant;
- Tribally Controlled Colleges or Universities Grant Program;
- Employment training program under section 134 of the Workforce Innovation and Opportunity Act (WIOA).

Other Student Financial Assistance

Other student financial assistance includes grants or scholarships received from the following sources:

- The Federal government;
- A state (including U.S. territories), Tribe, or local government;
- A private foundation registered as a nonprofit under 26 U.S.C. 501(c)(3);
- A business entity (such as a corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or
- An institution of higher education. Other student financial assistance does not include:
 - Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship that is not excluded under section 479B of the Higher Education Act HEA); or
 - Gifts, including gifts from family or friends.

Note: Other student financial assistance may be paid directly to the student or to the educational institution on the student's behalf. The PHA/MFH Owner must verify that the other student financial assistance is for the student's actual covered costs. The following sections describe the treatment of the two above-described types of student financial assistance by program type.

There are distinct differences in the treatment of student financial assistance between the Section 8 program and the Public Housing and non-Section 8 programs administered by MFH due to language in the annual appropriations acts. Section 210(b) of the Consolidated Appropriations Act, 2023, G5 requires that, "for purposes of determining the eligibility of a person to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), any financial assistance (in excess of amounts received for tuition and any other required fees and charges) that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except for a person over the age of 23 with dependent children." HUD interprets that "a person over the age of 23" is 24 years old.

Achieving a Better Life Experience (ABLE) Accounts

Regulation: 24 CFR § 5.609(b)(22)

Summary: ABLE accounts are excluded from the definition of net family assets, and therefore income generated from such accounts is not considered when calculating income from assets. Distributions from these accounts are also excluded from income. HUD developed specific guidance on ABLE accounts based on language included in the ABLE Act of 2014. Certain contributions deposited into ABLE accounts are excluded in addition to the above-mentioned exclusions.

See Treatment of ABLE Accounts in HUD Assisted Programs (Notice H 2019-06/PIH 2019-09).

Gross Income from Self-Employment or Operation of a Business

Regulation: 24 CFR §§ 5.609(b)(24) and 5.609(b)(28)

Summary: The gross income received by a family through self-employment or the operation of a business is excluded from income. Gross income is all income amounts received into the business, prior to the deduction of business expenses. To determine the amount of business or self-employment income included in a family's annual income, the net income of the business must first be determined. Net income is the "gross income amount minus business expenses" that allows the business to operate. The net income from self-employment or the operation of a business is considered income. Expenditures for business expansion or amortization of capital indebtedness are not deductible when determining the income from a business. An allowance for the depreciation of assets used in a business or profession may be deducted, based on a straight-line depreciation, as provided in IRS's regulations. Any withdrawal of cash or assets from the operation of a business is income except to the extent that such withdrawal is to reimburse the family member for cash or assets that the family has invested in the operation of the business.

Elimination of the Earned Income Disregard (EID)

Regulation: 24 CFR § 5.611

Summary: The Earned Income Disregard (EID) will not apply to any family who is not eligible for and already participating in the disallowance as of December 31, 2023. The EID allowed eligible families to have a portion of their earned income excluded from annual income for a maximum period of 24 consecutive months. Although HOTMA eliminates the EID from HUD regulations, families who were receiving the EID benefit as of December 31, 2023, may continue to receive the full benefit until the remaining timeframe for an individual family's EID expires. Because the EID lasts up to 24 consecutive months, no family will still be receiving the EID benefit after December 31, 2025.

Civil Rights Settlements or Judgments

Regulation: 24 CFR § 5.609(b)(25)

Summary: Civil rights settlements or judgments, including settlements or judgments for back pay, are excluded from the calculation of annual income. Historically HUD has followed a practice of excluding from income civil rights settlements and judgments as lump-sum additions to assets, which would include amounts received as a result of litigation or other actions, such as conciliation agreements, voluntary compliance agreements, consent orders, other forms of settlement agreements, or administrative or judicial orders under nondiscrimination laws. However, this new exclusion clarifies that even where such payments are not lump-sum payments but instead may have a payment schedule, such payments are excluded. Additionally, this 80 exclusion applies to back pay received by the family pursuant to a civil rights settlement or judgment.

ATTACHMENT H: TOPIC: INFLATIONARY ADJUSTMENTS

Regulations

Summary: HUD will annually publish the eight inflation-adjusted items no later than September 1, and the updated values will be shared online at the HUD User Web site. The publication will apply to both MFH and PIH programs. The revised amounts will be effective on January 1 of the following year. HUD will annually publish the recalculated inflationary-adjusted items to HUD's Policy Development and Research Web site, HUD

User. The new amounts will become effective January 1 of the following year.

ATTACHMENT I: TOPIC: INTERIM REEXAMINATIONS

Regulations 24 CFR §§ 5.567(c)(1); 882.515(b)(1); 960.257(b)(1); 982.516(c)(1); 891.105; 891.410(g); and 891.610(g)

Summary: A family may request an interim determination of family income or composition because of any changes since the last determination. The Paducah Section 8 HCV program will conduct any interim reexamination within a reasonable period of time after the family request or when the PHA/MFH Owner becomes aware of a change in the family's adjusted income that must be processed in accordance with the final rule. What qualifies as a "reasonable time" may

vary based on the amount of time it takes to verify information, but the PHA/MFH Owner generally should conduct the interim reexamination not longer than 30 days after the PHA/MFH Owner becomes aware of changes in income.

Decreases in Adjusted Income Regulations:

24 CFR §§ 5.657(c)(2); 882.515(b)(2); 891.105; 891.410(g)(2); 891.610(g)(2); 960.257(b)(2); and 982.516(c)(2)

Summary: A family may request an interim determination of family income for any change since the last determination. However, the PADUCAH SECTION 8 (HCV) PROGRAM will decline to conduct an interim reexamination of family income if the Paducah Section 8 HCV program estimates that the family's adjusted income will decrease by an amount that is less than 10 percent of the family's annual adjusted income. In addition to decreases in family income, increases in deductions may produce a sufficient decrease in adjusted income to support an interim reexamination effective January 1, 2024, or later. HOTMA mandates are waiting HUD approval.

Paducah Section 8 HCV program will follow HUD discretion, as authorized by HOTMA, to establish a lower threshold through notice to process interim reexaminations under certain circumstances. Specifically, HUD is requiring PHAs/MFH Owners to apply a 0-percent threshold and to process an interim reexamination when there is a decrease in family size attributed to the death or permanent move-out from the assisted unit of a family member during the period since the family's last reexamination that results in a decrease in adjusted income of any amount. If there is no change/decrease in adjusted income as a result of the decrease in family size, then a non-interim transaction is processed instead of an interim reexamination. This 0-percent threshold for interim reexamination applies only to decreases in family size that result in a decrease in adjusted income. If the net effect of the changes in annual adjusted income due to a decrease in family size results in an increase in annual adjusted income, then PHA/MFH Owner will process the removal of the household member(s) as a non-interim reexamination transaction without making changes to the family's annual adjusted income. Paducah Section 8 HCV program will not permitted to establish a dollar-figure threshold amount instead of a percentage threshold.

Increases in Adjusted Income

Regulations: 24 CFR §§ 5.657(c)(3); 882.515(b)(3); 960.257(b)(3); and 982.516(c)(3);

891.105; 891.410(g)(2); and 891.610(g)(2)

Summary: Paducah Section 8 HCV program will conduct an interim reexamination of family income when the PHA/MFH Owner becomes aware that the family's adjusted income has changed by an amount that the Paducah Section 8 HCV program estimates will result in an increase of 10 percent or more in annual adjusted income or another amount established through a HUD notice, with the following exceptions:

- Paducah Section 8 HCV program may not consider any increases in earned income when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the same reexamination cycle; and
- Paducah Section 8 HCV program will choose not to conduct an interim reexamination during the last three months of a certification period if a family reports an increase in income within three months of the next annual reexamination effective date.

Note: Families who delay reporting income increases until the last three months of their certification period may be subject to retroactive rent increases in accordance with the Paducah Section 8 HCV program policies. Paducah Section 8 HCV program will not process interim reexaminations for income increases that result in less than a 10-percent increase in annual adjusted income. When the family previously received an interim reexamination for a decrease to annual adjusted income during the same annual cycle, Paducah Section 8 HCV program will ignore a subsequent increase in earned income for the purposes of conducting an interim reexamination.

Non-Interim Reexamination Transactions

Regulations: 24 CFR §§ 5.657(c)(2) 891.105; 891.410(g)(2); and 891.610(g)(2)

Summary: Families may experience changes within the household that do not trigger an interim reexamination under HOTMA but still need to be reported in a non-interim reexamination submission to HUD. In these cases, will submit a separate, new action code on form HUD-50058. Further instructions on the use of this action code will be provided along with supplemental guidance on other revisions to forms HUD-50058. The code will be used for the following transaction types when an interim reexamination is not triggered under the final rule:

- Adding or removing a hardship exemption for the child-care expense deduction;
- Updating or removing the phased-in hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction (the phased-in relief will begin at an eligible family's first annual or interim reexamination, whichever is sooner, after January 1, 2024);
- Adding or removing general hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction;
- Adding or removing a minimum rent hardship;
- Adding or removing a non-family member (i.e., live-in aide, foster child, foster adult);
- Ending a family's EID or excluding 50 percent (decreased from 100%) of a family member's increase in employment income at the start of the second 12-month EID

period.

- Adding a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule;
- Removing a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule;
- Adding/updating a family or household member's Social Security number; and
- Updating a family member's citizenship status from eligible to ineligible or vice versa, resulting in a change to the family's rent and/or utility reimbursement, if applicable (i.e., family begins receiving prorated assistance or previously prorated assistance becomes full assistance), or updating the prorated rent calculation due to the addition or removal of family members in household with an ineligible noncitizen(s).

HCV Program Only:

- Processing rent contract changes that do not correspond with an interim or annual reexamination (including PBV rent increases);
- Implementing an update to the payment standard that does not correspond with an interim or annual reexamination.

Note: Paducah Section 8 HCV program will make all other changes to assets, income, and deductions at the next annual or interim reexamination of income, whichever is sooner.

Policies for Families to Report Changes to Annual Adjusted Income or Household Composition Regulations:

24 CFR §§ 5.657(c)(4); 882.515(b)(1)–(4); 882.808(i)(4); 891.105; 891.410(g)(2); 891.610(g)(2); 960.257(b)(4); and 982.516(d)

Summary: Paducah Section 8 HCV program will require families to report household composition changes as they occur; Paducah Section 8 HCV program has developed policies that describe when and under what conditions families must report changes in annual adjusted income consistent with the new requirements for processing interim reexaminations. Paducah Section 8 HCV program requests the family to report changes as they occur, and Paducah Section 8 HCV program will educate families on the requirements for reporting changes. Families are responsible for reporting these changes to the PHA. PHA will track all reported changes to a family's annual adjusted income to ensure that the PHA is correctly processing interim reexaminations in accordance with HUD's requirements. Paducah Section 8 HCV program will require families to report all changes and the PHA will determine if an interim reexamination is necessary. Alternatively, PHA has established policies requiring that families report all changes in income and household composition, and the PHA will subsequently determine if the change requires an interim reexamination.

Processing Time Period for Interim Reexaminations Regulations:

24 CFR §§ 5.657(c)(1); 882.515(b)(1); 891.105; 891.410(g)(2); 891.610(g)(2); 960.257(b)(1); and 982.516(c)(1)

Summary: The updated regulations codified long-standing guidance on how long

Paducah Section 8 HCV program should take to process an interim reexamination. Paducah Section 8 HCV program will conduct the interim reexamination not longer than 30 days after the PHA becomes aware of changes in income.

Changes Reported Timely:

If the family has reported a change in family income or composition in a timely manner according to the PHA policies, then the PHA will provide the family with 30-day advance notice of any rent increases, and such rent increases will be effective the first day of the month beginning after the end of that 30-day period. If the tenant has complied with the interim reporting requirement and the tenant's rent is anticipated to decrease, rent decreases will be effective on the first day of the month after the date of the actual change leading to the interim reexamination of family income. This means the decrease will be applied retroactively.

Changes Not Reported Timely:

If the family has failed to report a change in family income or composition in a timely manner by the 20th of the month PHA will implement any resulting rent increases retroactively to the first day of the month following the date of the change leading to the interim reexamination of family income. Paducah Section 8 HCV program will clearly communicate the effect of the retroactive adjustment to the owner as well. An exception to the requirement that Paducah Section 8 HCV program implement resulting in rent increases retroactively to the first of the month following the date of the change leading to the interim reexamination exist if Paducah Section 8 HCV program failed to process a family's interim reexamination because the family did not timely report an income decrease.

Streamlined Income Determination Regulation:

24 CFR §§ 5.609(c)(2)(i); 5.657(d); 891.105; 891.410(g)(4); 891.610(g)(4); 960.257(c); and 982.516(b) Paducah Section 8 HCV program will elect not to apply a streamlined income determination for families receiving fixed income.

Impact of Interim Reexamination Requirements on Family Self-Sufficiency (FSS) Programs

Paducah Section 8 HCV program may not consider any increases in earned income when estimating or calculating whether the family's adjusted income has increased unless the family has previously received an interim reduction during the same reexamination cycle. Families participating in the FSS program are subject to these interim requirements, therefore their escrow accounts may not grow as their earnings increase throughout the year. The PHA may not perform an interim reexamination of annual income when enrolling a family in the FSS program unless the family experienced a change in annual adjusted income that meets the threshold for conducting an interim reexamination under the HOTMA final rule. Families for whom their first reexamination of income does not occur until their regularly scheduled annual reexamination will not have the opportunity to begin escrowing their increased earnings until that time and may have fewer escrow increases over the life of the 5-year contract.

Authorization for the Release of Information (Forms HUD-9886/ HUD-9887)
Regulations: 24 CFR §§ 5.230; 5.232; 891.105; 891.410(b)-(c); and 891.610(b)-(c)
Summary: In accordance with the final rule, all applicants must sign the consent form at admission, and participants must sign the consent form no later than their next interim or regularly scheduled income reexamination. After an applicant or participant has signed and submitted a consent form either on or after January 1, 2024 (regardless of the PHA/MFH Owner's compliance date), they do not need to sign and submit subsequent consent forms at the next interim or regularly scheduled income examination except under the following circumstances:

- When any person 18 years or older becomes a member of the family;
- When a member of the family turns 18 years of age; and

As required by HUD or the Paducah Section 8 HCV program administrative instructions. These consent forms contain provisions authorizing HUD and the PHA to obtain necessary information for verification of an application or to maintain a family's assistance, including income information and tax return information. The executed consent forms will remain effective until the family is denied assistance, the assistance is terminated, or if the family provides written notification to the Paducah Section 8 HCV program to revoke consent. If a family voluntarily leaves a HUD program, the family's assistance is considered terminated and the signed consent forms will no longer be in effect.

HUD will publish a new form HUD-9886-A and is updating forms HUD-9887 and HUD-9887-A (Fact Sheet) to conform with the final rule. HUD will include language in the forms allowing PHA to obtain financial records from financial institutions whenever the PHA determines that such a record is needed to determine an applicant's or participant's eligibility for assistance or level of benefits.

PHA Discretion:

Paducah Section 8 HCV program has the discretion to establish policies around when family members must sign the consent forms when they turn 18 between the reexaminations. Paducah Section 8 HCV program will require family members to sign consent forms at annual reexamination.

Revocation of Consent

Regulations: 24 CFR §§ 5.230(c)(5)(iii); 24 CFR 5.232(c); 891.105; 891.410(g)(3)(ii); and 891.610(g)(3)(ii)

Summary: The executed consent forms will remain effective until the family is denied assistance, the assistance is terminated, or if the family provides written notification to the Paducah Section 8 HCV program to revoke consent. Revocation of consent or refusal to sign the consent forms prohibits the PHA/MFH Owner from requesting and accessing income information and financial records, including pulling EIV reports and using the EIV data to verify income (although the data matches between HUD and other agencies will continue to occur automatically if the

family is not terminated from the program). Paducah Section 8 HCV program will not be able to process interim or annual reexaminations of income, including when a family's income decreases and the family requests an interim reexamination to decrease tenant rent, without the family's executed consent form(s).

Families have the right to revoke consent by providing written notice to the Paducah Section 8 HCV program; however, revoking consent may result in termination of assistance or denial of admission. Paducah Section 8 HCV program will not establish such a policy, the family is required to sign a new consent form by the next reexamination, whichever occurs first, to avoid termination of assistance or be reviewed for eligibility for admission. Paducah Section 8 HCV program will explain to families the consequences, if any, of revoking their consent.

Mandated and Discretionary use of HUD's Enterprise Income Verification (EIV) System
Regulation: 24 CFR § 5.233

Summary: The regulation clarifies that Paducah Section 8 HCV program must use EIV to verify tenant employment and income information at annual and streamlined reexaminations of family composition and income. However, PHAs/MFH Owners are no longer required to use EIV to verify tenant employment and income information during an interim reexamination of family composition and income. Paducah Section 8 HCV program is still required to use EIV in its entirety, including using all of the required reports, such as the Existing Tenant Search and Income Reports, to verify tenant employment and income information at all other times.

Paducah Section 8 HCV program may choose to use EIV to verify tenant employment and income information at interim reexaminations of family composition and income. Paducah Section 8 HCV program will not use EIV to verify income information at interim reexaminations.

Determination of Income Using Other Means Tested Public Assistance (i.e., "Safe Harbor")

Regulation: 24 CFR §§ 5.609(c)(3) and 891.105; 891.410(b)-(c) and (g); and 891.610(b)-(c) and (g)

Summary: Paducah Section 8 HCV program will not determine a family's annual income, including income from assets, prior to the application of any deductions based on income determinations made within the previous 12-month period, using income determinations from the following types of means-tested federal public assistance programs:

- The Temporary Assistance for Needy Families block grant (42 U.S.C. 601, et seq.).
- Medicaid (42 U.S.C. 1396 et seq.).
- The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 et seq.).
- The Earned Income Tax Credit (26 U.S.C. 32).
- The Low Income Housing Tax Credit (26 U.S.C. 42).
- The Special Supplemental Nutrition Program for Woman, Infants, and Children (42 U.S.C. 1786).
- Supplemental Security Income (42 U.S.C. 1381 et seq.).
- Other programs administered by the Secretary.

- Other means-tested forms of federal public assistance for which HUD has established a memorandum of understanding.
- Other federal benefit determinations made by other means-tested federal programs that the Secretary determines to have comparable reliability and announces through a Federal Register notice.

Verification Hierarchy Regulation:

24 CFR §§ 5.240(c); 5.659(d); 891.105; 891.410(b)-(c) and (g); 891.610(b)- (c) and (g); 960.259(c); 982.201(e); and 982.516(a)(2)

Summary: Paducah Section 8 HCV program is responsible for obtaining third-party verification of reported family annual income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income. Third-party verification will be obtained directly from the third-party or through the family. Paducah Section 8 HCV program must document in the tenant file the reason why third-party verification was not available unless HUD's regulations specifically permit families to self-certify a particular component of adjusted income.

Third-Party Verification Descriptions and Guidance

- **Upfront Income Verification (UIV) (Level 6/5):** The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals. It should be noted that the EIV system is available to all PHAs/MFH Owners as a UIV technique and that all PHAs/MFH Owners are required to use EIV in its entirety (see paragraph J.3 on Mandated and Discretionary Use of EIV). PHAs/MFH Owners are encouraged to continue using other non-HUD UIV tools, such as The Work Number (an automated verification system) and state government databases, to verify tenant-reported income.
- **Written, Third-Party Verification (Level 4):** An original or authentic document generated by a third-party source dated within 120 days of the date received by the Paducah Section 8 HCV program. For fixed-income sources, a statement dated within the appropriate benefit year is acceptable documentation. Such documentation may be in the possession of the tenant (or applicant) and is commonly referred to as tenant-provided documents.
- **Written, Third-Party Verification Form (Level 3):** This practice is also known as "traditional third-party verification." This type of verification is a form developed by the PHA and used uniformly for all families when needed to collect information from a third-party source. The form is completed by the third party by hand (in writing or typeset). Paducah Section 8 HCV program will send the form directly to the third-party source by mail, fax, or email. The PHA/MFH Owner may skip this level of verification before attempting Level 2, which means they will have only completed Level 3 or Level 2 verification before moving to Self-Certification.
- **Oral Third-Party Verification (Level 2):** Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique, or identified by the family, via telephone or in-person visit. Paducah Section 8 HCV program will document in the tenant file the date and time of the telephone call (or visit to the third party) and the name of the person contacted and their telephone number,

along with the confirmed information. The PHA may skip this level of verification if they attempted Level 3, which means they will have only completed Level 3 or Level 2 verification before moving to Self-Certification.

- **Non-Third-Party Verification Technique: Self-Certification (Level 1):** The tenant submits a signed statement of reported income and/or expenses to the PHA. This verification method should be used as a last resort when the Paducah Section 8 HCV program has not been successful in obtaining information via all other required verification techniques. When the PHA/MFH Owner relies on self-certification to verify income or expenses, the PHA/MFH Owner will document in the tenant file why third-party verification was not available. HUD does not require that a self-certification be notarized; however, HUD recommends including language on any self-certification to ensure the certifier understands the consequences of knowingly providing false information.

Sample language: “I/We, the undersigned, certify under penalty of perjury that the information provided here is true and correct, to the best of my knowledge and recollection. **WARNING:** Anyone who knowingly submits a false claim or knowingly makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. 287, 1001, 1010, 1012; 31 U.S.C. 3279, 3802)”

Verification of Social Security Number (SSN)

Regulation: 24 CFR § 5.216(g)(1) 891.105; 891.410(b)-(c) and (g); 891.610(b)-(c) and (g)

Summary: It has become increasingly difficult for applicants to meet HUD’s SSN disclosure requirements, particularly for those individuals’ experiencing homelessness. To help protect individuals’ privacy, many federal, state, and local agencies no longer print an individual’s SSN on official documentation. Individuals may be required to visit their local Social Security office and provide original identity documentation to obtain a replacement Social Security card.

HUD is adjusting what the Department considers acceptable documentation of SSN under 24 CFR § 5.216(g)(1) to make it easier for applicants to access programs even if they do not have access to their Social Security card or other documentation acceptable to HUD. Paducah Section 8 HCV program will still attempt to gather third-party verification of SSN prior to admission; however, they will also have the option of accepting a self-certification and a third-party document with the applicant’s name printed on it to satisfy the SSN disclosure requirement if the PHA has exhausted all other attempts to obtain the required documentation. HUD has provided similar flexibility to PHAs through CARES Act waivers and for Emergency Housing Vouchers.

Self-certification of SSN and at least one third-party document, such as a bank statement, utility or cell phone bill, benefit letter, etc., that contains the name of the individual. If verifying an individual’s SSN using this method, the Paducah Section 8 HCV program will document why the other SSN documentation was not available. If the tenant’s SSN becomes verified in EIV, then no further verification is required. If the tenant’s SSN fails

the SSA identity match, then the Paducah Section 8 HCV program must obtain a valid SSN card issued by the SSA or an original document issued by a federal or state government agency that contains the name of the individual and the SSN of the individual, along with other identifying information of the individual. The tenant's assistance must be terminated if they fail to provide the required documentation.

Verification of Excluded Income

To reduce administrative burdens on Paducah Section 8 HCV program, HUD is providing guidance and clarification on the requirements for verifying excluded income. For income sources where the entire amount qualifies to be excluded from the annual income determination in accordance with 24 CFR § 5.609(b) and any Federal Register notice on mandatory exclusions issued by HUD, the PHA/MFH Owner is not required to:

- Verify the income using third-party verification;
- Document in the tenant file as to why the third-party verification was not available as required by 24 CFR §§ 5.659(d), 960.259(c)(i), and 24 CFR 982.516(a)(2); 891.105; 891.410(b), (c) and (g); 891.610(b)-(c) and (g); or
- Report the income on forms HUD-50058/ HUD-50059. PHAs/MFH Owners may accept an applicant or participant's self-certification as verification of excluded income. The PHA/MFH Owner's application and reexamination questionnaire documentation may serve as the self-certification of excluded income. PHAs/MFH Owners have the option of verifying the income using third-party verification, if necessary, to determine if a source of income qualifies for exclusion. Examples of excluded income categories that are verifiable through applicant or participant self-certification include:
 - Supplemental Nutrition Assistance Program (SNAP) benefits, formerly known as food stamps.
 - Income of a live-in aide. For a complete list of income exclusions, see 24 CFR § 5.609(b). An income source that is partially excluded, for example, earnings in excess of \$480 for full-time students 18 years of age or older (24 CFR § 5.609(b)(14)), must be third-party verified and reported on forms HUD-50058.

Zero Income Reviews

A "zero income review" is an assessment, sometimes periodic, performed by the PHA of the income of a family who claims that they do not receive income from any source, including from assets.

During such reviews, it is common for PHA to request that families complete and sign a worksheet explaining how they pay for the household's expenses. HUD does not require PHA to conduct periodic zero income reviews. In calculating annual income, PHA must not assign monetary value to non-monetary in-kind donations from a food bank or similar organization received by the family (24 CFR § 5.609(b)(24)(vi)).

Paducah Section 8 HCV program will perform an interim reexamination only due to an increase in the family's adjusted income (24 CFR §§ 5.657(c)(3); 882.515(b)(3); 891.410(g)(2); 891.610(g)(2); 960.257(b)(3); and 982.516(c)(3)). PHA will continue to perform zero income reviews and will update local discretionary policies, procedures,

and forms to comply with the final rule requirements. For example, families who begin receiving income which does not trigger an interim reexamination should no longer be considered zero income even though the family's income is not reflected on the form HUD-50058.

NSPIRE HCV/PBV INSPECTION CHECKLIST						
PHA:				Address of Unit:		
Family Identifier:				Owner:		
Any children under 6 reside or expected to reside in the unit? (Y/N):				Owner Contact Information:		
Inspector:				Housing Type:		
Date of Inspection:				Year Constructed:		
Type of Inspection:				Number of Bedrooms:		
Summary Decision on Unit (Pass/Fail):				Health & Safety Designation		Correction Timeframe (P/F)
				LT		Life-Threatening - 24 Hours (Fail)
				S		Severe - 30 Days (Fail)
				M		Moderate - 30 Days (Fail)
				L		Low - N/A (Pass)
*Affirmative Habitability Requirement per 24 CFR 5.703(d) and NSPIRE Final Rule						
Mark all that apply:						
Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments	
Address and Signage	Address, signage, or building identification codes are broken, illegible, or not visible.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Bath tub and Shower	Only 1 bathtub or shower is present and it is inoperable or does not drain.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	A bathtub or shower is inoperable or does not drain and at least 1 bathtub or shower is present elsewhere that is operational.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	Bathtub component or shower component is damaged, inoperable, or missing such that it may limit the resident's ability to maintain personal hygiene.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	Bathtub component or shower component is damaged, inoperable, or missing and it does not limit the resident's ability to maintain personal hygiene.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	Bathtub or shower cannot be used in private.*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Cabinet and Storage	Food storage space is not present.*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	Storage component is damaged, inoperable, or missing.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Call-For-Aid System	System is blocked, or pull cord is higher than 6 inches off the floor.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	System does not function properly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Carbon Monoxide	Carbon monoxide alarm is missing, not installed, or not installed in a proper location.*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	Carbon monoxide alarm is obstructed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	Carbon monoxide alarm does not produce an audio or visual alarm when tested.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Ceiling	Ceiling has an unstable surface.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	Ceiling has a hole.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	Ceiling component(s) is not functionally adequate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Chimney	A visually accessible chimney, flue, or firebox connected to a fireplace or wood-burning appliance is incomplete or damaged such that it may not safely contain fire and convey smoke and combustion gases to the exterior.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	Chimney exhibits signs of structural failure.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Clothes Dryer Exhaust Ventilation	Electric dryer transition duct is detached or missing.	LT	LT		
	Gas dryer transition duct is detached or missing.	LT	LT		
	Electric dryer exhaust ventilation system has restricted airflow.	LT	LT	LT	
	Dryer transition duct is constructed of unsuitable material.	LT	LT		
	Gas dryer exhaust ventilation system has restricted airflow.	LT	LT	LT	
	Exterior dryer vent cover, cap, or a component thereof is missing.			LT	
Cooking Appliance	Cooking range, cooktop, or oven does not ignite or produce heat.	S	LT		
	Cooking range, cooktop, or oven component is damaged or missing such that the device is unsafe for use.	M	M		
	Primary cooking appliance is missing.*	*M			
	A microwave is the primary cooking appliance and it is damaged.	S			
	A burner does not produce heat, but at least 1 other burner is present on the cooking range or cooktop and does produce heat.	M	M		
Door - Entry	Entry door will not open.	M	M		
	Entry door will not close.	S	M		
	Entry door self-closing mechanism is damaged, inoperable, or missing.	S	M		
	Hole, split, or crack that penetrates completely through entry door.	M	M		
	Entry door is missing.	LT	S		
	Entry door surface is delaminated or separated.	M	M		
	Entry door frame, threshold, or trim is damaged or missing.	M	M		
	Entry door seal, gasket, or stripping is damaged, inoperable, or missing.	M	M		
	Entry door component is damaged, inoperable, or missing and it does not limit the door's ability to provide privacy or protection from weather or infestation.	L	L		
Entry door cannot be secured.	S	M			
Door - Fire	Fire labeled door does not open.	S	S		
	Fire labeled door does not close and latch or the self-closing hardware is damaged or missing such that the door does not self-close and latch.	S	S		
	Fire labeled door assembly has a hole of any size or is damaged such that its integrity may be compromised.	S	S		
	Fire labeled door seal or gasket is damaged or missing.	S	S		
	An object is present that may prevent the fire labeled door from closing and latching or self-closing and latching.	S	S		
	Fire labeled door cannot be secured.	S	M		
	Fire labeled door is missing.	LT	LT		
Door - General	A passage door does not open.	M	M		
	A passage door component is damaged, inoperable, or missing and the door is not functionally adequate.	L	L		
	A door that is not intended to permit access between rooms has a damaged, inoperable, or missing	L			
	An exterior door component is damaged, inoperable, or missing.			M	

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Drain	Drain is fully blocked.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
Egress	Obstructed means of egress.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	Sleeping room is located on the 3rd floor or below and has an obstructed rescue opening.	LT <input type="checkbox"/>			
	Fire escape access is obstructed.	LT <input type="checkbox"/>			
Electrical - Conductor, Outlet, and Switch	Outlet or switch is damaged.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	Testing indicates a three-pronged outlet is not properly wired or grounded.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	Outlet does not have visible damage and testing indicates it is not energized.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	Exposed electrical conductor.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	Water is currently in contact with an electrical conductor.	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
Electrical - GFCI/AFCI	GFCI outlet or GFCI breaker is not visibly damaged and the test or reset button is inoperable.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	AFCI outlet or AFCI breaker is not visibly damaged and the test or reset button is inoperable.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	An unprotected outlet is present within six feet of a water source.*	*S <input type="checkbox"/>	*S <input type="checkbox"/>	*S <input type="checkbox"/>	
Electrical - Service Panel	Electrical service panel is not readily accessible.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	The overcurrent protection device is damaged.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	The overcurrent protection device is contaminated.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
Elevator	Elevator is inoperable.		M <input type="checkbox"/>		
	Elevator door does not fully open and close.		M <input type="checkbox"/>		
	Elevator cab is not level with the floor.		M <input type="checkbox"/>		
	Safety edge device has malfunctioned or is inoperable.		M <input type="checkbox"/>		
Exit Sign	Exit sign is damaged, missing, obstructed, or not adequately illuminated.		LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Fence and Gate	Fence component is missing.			M <input type="checkbox"/>	
	Gate does not open, close, latch, or lock.			M <input type="checkbox"/>	
	Fence demonstrates signs of collapse.			M <input type="checkbox"/>	
Fire Escape	Fire escape component is damaged or missing.			LT <input type="checkbox"/>	
Fire Extinguisher	Fire extinguisher pressure gauge reads over or under-charged.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	Fire extinguisher service tag is missing, illegible, or expired.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	Fire extinguisher is damaged or missing.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Flammable and Combustible Item	Flammable or combustible item is on or within 3 feet of an appliance that provides heat for thermal comfort or a fuel-burning water heater. OR Improperly stored chemicals.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Floor	Floor substrate is exposed.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Floor component(s) is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>		
Food Preparation	Food preparation area is not present.*	*M <input type="checkbox"/>			
	Food preparation area is damaged or is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>		

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Foundation	Foundation is cracked.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Foundation has exposed rebar or foundation is spalling, flaking, or chipping.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Foundation is infiltrated by water.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Foundation support post, column, beam, or girder is damaged.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Foundation vent cover is missing or damaged.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
Garage Door	Garage door has a hole.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Garage door does not open, close, or remain open or closed.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
Guardrail	Grab bar is not secure.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Guardrail is missing or not installed.*	*LT <input type="checkbox"/>	*LT <input type="checkbox"/>	*LT <input type="checkbox"/>	
	Guardrail is not functionally adequate.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Handrail	Handrail is missing.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Handrail is not secure.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Handrail is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Handrail is not installed where required.	<input type="checkbox"/>	L <input type="checkbox"/>	L <input type="checkbox"/>	
HVAC	The inspection date is on or between October 1 and March 31 and the permanently installed heating source is not working or the permanently installed heating source is working and the interior temperature is below 64 degrees Fahrenheit.*	*LT <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	The inspection date is on or between October 1 and March 31 and the permanently installed heating source is working and the interior temperature is 64 to 67.9 degrees Fahrenheit.*	*S <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Air conditioning system or device is not operational.	M <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
	Unvented space heater that burns gas, oil, or kerosene is present.*	*LT <input type="checkbox"/>	*LT <input type="checkbox"/>	<input type="checkbox"/>	
	Combustion chamber cover or gas shutoff valve is missing from a fuel burning heating appliance.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	<input type="checkbox"/>	
	Heating system or device safety shield is damaged or missing.	S <input type="checkbox"/>	S <input type="checkbox"/>	<input type="checkbox"/>	
	The inspection date is on or between April 1 and September 30 and a permanently installed heating source is damaged, inoperable, missing, or not installed.*	*M <input type="checkbox"/>	*M <input type="checkbox"/>	<input type="checkbox"/>	
	Fuel burning heating system or device exhaust vent is misaligned, blocked, disconnected, improperly connected, damaged, or missing.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
The inspection date is on or between October 1 and March 31 and the permanently installed heating source is inoperable.	<input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>		
Infestation	Evidence of cockroaches.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Extensive cockroach infestation.	S <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Evidence of bedbugs.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Extensive bedbug infestation.	S <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Evidence of mice.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Extensive mouse infestation.	S <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Evidence of rats.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Extensive rat infestation.	S <input type="checkbox"/>	S <input type="checkbox"/>	<input type="checkbox"/>	
	Evidence of other pests.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Leak - Gas/Oil	Natural gas, propane, or oil leak.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Leak - Sewage	Blocked sewage system.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	Leak in sewage system.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	Cap to the cleanout or pump cover is detached or missing.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Cleanout cap or riser is damaged.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
Leak - Water	Environmental water intrusion.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Plumbing leak.	M <input type="checkbox"/>	M <input type="checkbox"/>	L <input type="checkbox"/>	
	Fluid is leaking from the sprinkler assembly.	M <input type="checkbox"/>	M <input type="checkbox"/>	L <input type="checkbox"/>	
Lighting - Auxiliary	Auxiliary lighting is damaged, missing, or fails to illuminate when tested.	<input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
Lighting - Exterior	A permanently installed light fixture is damaged, inoperable, missing, or not secure.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
Lighting - Interior	A permanently installed light fixture is inoperable.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	A permanently installed light fixture is not secure.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	At least one (1) permanently installed light fixture is not present in the kitchen and bathroom.*	*M <input type="checkbox"/>	*M <input type="checkbox"/>	<input type="checkbox"/>	
Litter	Litter is accumulated in an undesignated area.	<input type="checkbox"/>	M <input type="checkbox"/>	L <input type="checkbox"/>	
Minimum Electrical and Lighting	At least two (2) working outlets are not present within each habitable room. OR At least one (1) working outlet and one (1) permanently installed light fixture is not present within each habitable room.*	*M <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Mold-Like Substance	Presence of mold-like substance at moderate levels is observed visually.	M <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
	Presence of mold-like substance at high levels is observed visually.	S <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Presence of mold-like substance at extremely high levels is observed visually.	LT <input type="checkbox"/>	S <input type="checkbox"/>	<input type="checkbox"/>	
	Elevated moisture level.	M <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
Parking Lot	Parking lot has any one pothole that is 4 inches deep and 1 square foot or greater.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
	Parking lot has ponding.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
Potential Lead-Based Paint Hazards - Visual Assessment	Paint in a Unit or Inside the target property is deteriorated - below the level required for lead-safe work practices by a lead-certified firm or for passing clearance.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Paint in a Unit or Inside the target property is deteriorated - above the level required for lead-safe work practices by a lead-certified firm and passing clearance.	S <input type="checkbox"/>	S <input type="checkbox"/>	<input type="checkbox"/>	
	Paint Outside on a target property is deteriorated - below the level required for lead-safe work practices by a lead-certified firm or for passing clearance.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
	Paint Outside on a target property is deteriorated - above the level required for lead-safe work practices by a lead-certified firm and passing clearance.	<input type="checkbox"/>	<input type="checkbox"/>	S <input type="checkbox"/>	
Private Roads and Driveways	Road or driveway access to the property is blocked or impassable for vehicles.	<input type="checkbox"/>	<input type="checkbox"/>	S <input type="checkbox"/>	
	Road or driveway has any one pothole that is 4 inches deep and 1 square foot or greater.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
Refrigerator	Refrigerator is inoperable such that it may be unable to safely and adequately store food.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Refrigerator component is damaged such that it impacts functionality.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Refrigerator is missing.*	*M <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Retaining Wall	Retaining wall is leaning away from the fill side.			M	
	Retaining wall is partially or completely collapsed.			M	
Roof Assembly	Restricted flow of water from a roof drain, gutter, or downspout.			M	
	Gutter component is damaged, missing, or unfixed.			M	
	Roof surface has standing water.			M	
	Substrate is exposed.			M	
	Roof assembly has a hole.			M	
	Roof assembly is damaged.			M	
Sharp Edges	A sharp edge that can result in a cut or puncture hazard is present.	S	S	S	
Sidewalk, Walkway, Ramp	Sidewalk, walkway, or ramp is blocked or impassable.			M	
	Sidewalk, walkway, or ramp is not functionally adequate.			M	
Sink	Sink or sink component is damaged or missing and the sink is not functionally adequate.	M	L		
	Water is directed outside of the basin.	L	L		
	Sink is not draining.	M	M		
	Sink is improperly installed, pulling away from the wall, leaning, or there are gaps between the sink and wall.	M	M		
	Sink component is damaged or missing and the sink is functionally adequate.	L	L		
	Cannot activate or deactivate hot and cold water.*	*M	M		
	Sink is missing or not installed within the primary kitchen.*	*M			
Site Drainage	Water runoff is unable to flow through the site drainage system.			L	
	Erosion is present.			L	
	Grate is not secure or does not cover the site drainage system's collection point.			M	
Smoke Alarm	Smoke alarm is not installed where required.*	*LT	*LT		
	Smoke alarm is obstructed.	LT	LT		
	Smoke alarm does not produce an audio or visual alarm when tested.	LT	LT		
Sprinkler Assembly	Sprinkler head assembly is encased or obstructed by an item or object that is within 18 inches of the sprinkler head.	LT	LT	LT	
	Sprinkler assembly component is damaged, inoperable, or missing and it is detrimental to performance.	LT	LT		
	Sprinkler assembly has evidence of corrosion.	LT	LT	LT	
	Sprinkler assembly has evidence of foreign material that is detrimental to performance.	LT	LT	LT	
Stairs	Tread is missing or damaged.	M	M	M	
	Stringer is damaged.	M	M	M	
Steps and Stairs	Step or stair is not functionally adequate.			M	
Structure	Structural system exhibits signs of serious failure.	LT	LT	LT	

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Toilet	Only 1 toilet was installed, and it is missing.	LT <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	A toilet is missing and at least 1 toilet is installed elsewhere that is operational.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Only 1 toilet was installed, and it is damaged or inoperable.	S <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	A toilet is damaged or inoperable and at least 1 toilet is installed elsewhere that is operational.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Toilet component is damaged, inoperable, or missing such that it may limit the resident's ability to safely discharge human waste.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Toilet is not secured at the base.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Toilet component is damaged, inoperable, or missing and it does not limit the resident's ability to discharge human waste.	L <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
	Toilet cannot be used in private.*	*M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
Trash Chute	Chute door does not open or self-close and latch.	<input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Chute is clogged.	<input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
Trip Hazard	Trip hazard on walking surface.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
Ventilation	Exhaust system does not respond to the control switch.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Exhaust system has restricted airflow.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Exhaust system component is damaged or missing.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Bathroom does not have proper ventilation or dehumidification.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
Wall - Exterior	Exterior wall covering has missing sections of at least 1 square foot per wall.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
	Exterior wall has peeling paint of 10 square feet or more.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
	Exterior wall component(s) is not functionally adequate.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
Wall - Interior	Interior wall has a loose or detached surface covering.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Interior wall component(s) is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Interior wall has a hole that is greater than 2 inches in diameter or there is an accumulation of holes that are cumulatively greater than 6 inches by 6 inches.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
Water Heater	Temperature pressure relief (TPR) valve has an active leak or is obstructed or relief valve discharge piping is damaged, capped, has an upward slope, or is constructed of unsuitable material.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	No hot water.	S <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
	The relief valve discharge piping is missing or terminates greater than 6 inches or less than 2 inches from waste receptor flood-level.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Chimney or flue piping is blocked, misaligned, or missing.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	Gas shutoff valve is damaged, missing, or not installed.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Window	Window will not open or stay open.	M <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
	Window cannot be secured.	M <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
	Window will not close.	S <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Window component is damaged or missing and the window is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	

Note: This checklist is not a standards form and is not required for use. The form or its data should not be submitted to HUD, and will not be collected or maintained by HUD. No PI data should be submitted, nor will it be collected.

The housing authority or owner is responsible for compliance with the HUD NSPIRE Standards per the NSPIRE Final Rule (88 FR 30442) and accompanying Federal Register Notices (88 FR 40632, 88 FR 66882).

SUPPLEMENTARY INFORMATION:

I. Previous Standards and Programs

Prior to implementation of the NSPIRE rule, there were two inspection models used across the majority of HUD housing programs: Housing Quality Standards (HQS), developed in the 1970s and applicable to housing assisted under the Housing Choice Voucher and Project Based Voucher program, which were found at 24 CFR 982.401; and the Uniform Physical Condition Standards (UPCS) developed in the 1990s and applicable to the programs listed at 24 CFR 5.701, which were found at 24 CFR 5.703 with the dictionary of individual UPCS deficiencies contained in a **Federal Register** notice.^[1]

II. NSPIRE Rule

On May 11, 2023, HUD published the final rule “Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate” (88 FR 30442) to align expectations of housing quality and consolidate inspection standards across HUD programs.

The rule at 24 CFR 5.709 explains that HUD will publish a notice establishing the NSPIRE Standards and will subsequently update these Standards through future **Federal Register** notices at least once every three years with an opportunity for public comment. This will provide further opportunity for the public to examine proposed changes, provide pertinent comments, and suggest the inclusion of industry best practices. This three-year Standards development cycle aligns with cycles used by standards development organizations (SDOs) in the model building codes and life safety industries. A three-year review cycle will also allow HUD to be more responsive to the ever-changing public and assisted housing portfolio and evolving needs and research findings in the field.

III. NSPIRE Standard Development and Background

The unified NSPIRE Standards will be used to evaluate compliance with HUD's expectations of housing quality across the distinct programs governed by the regulatory alignment offered in the NSPIRE rule. Consistent with the NSPIRE rule, the unified NSPIRE standards contribute to a unified inspection protocol for three different overarching programs: programs for housing assisted under the U.S. Housing Act of 1937 other than section 8 of the Act (“Public Housing”), programs previously under the Housing Quality Standards regulations at 24 CFR 982.401 (HQS regulations), and programs already covered under 24 CFR part 5, subpart G (“Multifamily housing”).

With one exception, CPD programs are not subject to the requirements or standards issued through this notice. CPD programs used standards that are replaced by NSPIRE and, consistent with the preamble to the final rule, HUD will be issuing program-specific notices to address implementation of NSPIRE Standards for CPD programs. The one exception involves the Housing Opportunities for Persons with AIDS (HOPWA) program, which is the only CPD program covered by the statutory requirement on installation of carbon monoxide detection devices. With respect to that carbon monoxide detection requirement, the standards HUD is establishing for units and inside area under this notice also apply for purposes of the HOPWA program. In all other respects, this notice and these standards do not apply for purposes of the HOPWA program.

Throughout the development of NSPIRE, HUD has provided multiple avenues for industry and public input on the Standards. In September 2019, HUD began publishing draft NSPIRE Standards on HUD's website. The original and subsequent versions of the Standards represent input from industry stakeholders and the public via workshops, webinars, and feedback received through HUD's NSPIRE website.

HUD's approach to Standards development follows a defined set of core principles: people-centered design, a focus on efficiency, science-based rationales, continuous collaborative improvement, and streamlined operations. HUD's principles of standards development are designed to ensure that standards:

- Are developed according to an evidence-based methodology that ensures reliability and defensibility;
- Prioritize resident health, safety, and functionality of property features, ensuring that residents are living in habitable homes;
- Promote iterative collaboration and feedback; and
- Focus on streamlining inspections processes, ensuring that standards can be executed consistently across programs.

On June 17, 2022, HUD published a request for comments on a draft set of NSPIRE Standards, "Request for Comments: National Standards for the Physical Inspection of Real Estate and Associated Protocols" ([87 FR 36426](#)) ("proposed NSPIRE Standards notice"); HUD received 80 comments in response to that request for comments. HUD is now finalizing these Standards with changes based on the feedback HUD has received. HUD identifies the major changes and particularly pertinent comments below.

IV. HOTMA Life Threatening List

Under the Housing Opportunity Through Modernization Act of 2016 (HOTMA), as described in the preamble of the NSPIRE proposed rule and NSPIRE final rule, under the HCV and Project Based Voucher (PBV) programs, life-threatening deficiencies must be addressed within 24 hours, and all other deficiencies within 30 days or a reasonable longer period as established by the

Public Housing Agency (PHA).^[2] Under HOTMA, PHAs can allow families participating in the HCV and PBV programs to move into their unit prior to the unit passing the HQS, but only if there are no life-threatening conditions identified in the initial inspection.

Consistent with HOTMA, HUD published a list of life-threatening conditions (“HOTMA LT List”) through **Federal Register** notice “Housing Opportunity Through Modernization Act of 2016: Implementation of Various Section 8 Voucher Provisions” (82 FR 5458).

In the proposed rule “Housing Opportunity Through Modernization Act of 2016—Housing Choice Voucher (HCV) and Project-Based Voucher Implementation; Additional Streamlining Changes” (85 FR 63664) (“HOTMA Proposed Rule”), HUD proposed to incorporate this list into 24 CFR 982.401. In the proposed NSPIRE Standards notice, HUD proposed to instead include the HOTMA LT List in the NSPIRE Standards. HUD received comments on the HOTMA LT List in both the HOTMA Proposed Rule and the Proposed NSPIRE Standards notice. HUD has chosen to go forward with the proposal in the NSPIRE proposed Standards notice and includes the HOTMA LT list in these final NSPIRE Standards.

HUD has included the HOTMA LT List in the NSPIRE Standards and not in regulation and provides this list as Table 65 of the Standards. HUD believes that this consolidation is consistent with HUD's goal of consolidating standards. All NSPIRE Standards apply for the HCV and PBV programs, except where variant inspection standards apply.^[3] In the NSPIRE Standards, Deficiencies which are considered life-threatening for purposes of the HCV and PBV programs are noted with a 24-hour HCV Correction Timeframe. The HOTMA LT list applies for all PHAs in the HCV and PBV programs, and not only those choosing to implement the Non-Life-Threatening provision offered under HOTMA and PIH Notice 2017-20.

HUD received several comments on the HOTMA LT list. HUD carefully considered each of these comments and specifically discusses two overarching issues identified by commenters below.

First, commenters recommended local discretion in designating LT conditions. For example, commenters noted that PHAs in areas with warm climates may wish to require air conditioners. Commenters also suggested that PHAs may wish to provide increased specificity for certain technical aspects of some deficiencies. HUD notes that additional LT conditions may be added locally by the PHA. This must be done with HUD approval. HUD further clarifies that while local *addition* of LT conditions is allowed, LT conditions established by HUD cannot be *removed* at the local level.

Second, commenters stated that the HOTMA LT list should be codified in the CFR, which would require HUD to use notice and comment rulemaking to revise the LT list. Commenters stated this would provide decision-making transparency and opportunity for public input.

The HOTMALT list will not be codified in the CFR. This approach is consistent with the prior rule, which allowed for setting standards through notice. HUD will provide decision-making transparency and opportunity for public input by developing updates to the Standards through **Federal Register** notices with the prior opportunity for comment. As outlined in 24 CFR 5.709, HUD will publish updates to these Standards through future **Federal Register** notices at least once every three years with an opportunity for public comment. This will allow the public to examine proposed changes, provide comments, and suggest changes. This will also allow HUD to more frequently revise the Standards than rulemaking would allow, thereby allowing for increased sensitivity to changing technologies and advancing scientific understanding of building science and public health and safety.

V. Changes and Clarifications to the NSPIRE Standards

After considering comments received on the proposed NSPIRE Standards notice, feedback received through the NSPIRE demonstration, and feedback received through input from HUD partners, industry stakeholders, and the public for development of these final NSPIRE Standards, HUD is now publishing this Final Standards Notice.

HUD received comments on numerous Standards and deficiencies in response to the NSPIRE proposed Standards notice. Below, HUD discusses major changes made from the NSPIRE proposed Standards notice and discusses some of the comments HUD received. In addition to the broader comments addressed below, numerous additional technical comments were received, and those technical comments were integrated into the revision leading to the final version of the NSPIRE Standards.

Smoke Alarms

Consistent with the NSPIRE Final Rule, the Smoke Alarm Standard incorporates prescriptive locations for the installation of smoke alarms. These Standards are consistent with National Fire Protection Association (NFPA) Standard 72—National Fire Alarm and Signaling Code. This will introduce new requirements for smoke alarms by requiring installation on each level and inside each sleeping area. This is aligned with the incorporation by reference of National Fire Protection Association Standard 74 or any successor standard thereto (this successor standard is currently NFPA 72) in the National Fire Protection Act of 1992 (Pub. L. 102-522; 15 U.S.C. 15557) and of NFPA 72 and successor standards in the Public and Federally Assisted Housing Fire Safety Act of 2022,^[4] which was enacted after the publication of the proposed NSPIRE Standards notice. The NSPIRE Smoke Alarm Standard does not require that the smoke alarm have a sealed battery; however, upon the effective date of the Public and Federally Assisted

Housing Fire Safety Act of 2022 on December 29, 2024, which is two years after the date of enactment, sealed batteries *will* be required.

Commenters raised concern about the cost of installation of smoke alarms in properties where smoke alarms are not currently installed.

HUD believes that smoke alarms are essential to resident safety, to prevent death and injury, and therefore smoke alarms are critical to the NSPIRE inspection process. Additionally, smoke alarms are required by federal law (Public and Federally Assisted Housing Fire Safety Act of 2022). For further discussion on smoke alarms, please see additional comments and responses in the Final Rule and see the RIA for analysis of the benefits and costs of this change in smoke alarm inspections.

Carbon Monoxide Alarms

The Final Carbon Monoxide Alarm Standard incorporates statutory requirements^[5] for HUD Housing to contain carbon monoxide detectors either in compliance with chapters 9 and 11 of the 2018 International Fire Code (IFC) published by the International Code Council, or to comply with the standards adopted by HUD through notice. As such, there was a significant change from the proposed Carbon Monoxide Alarm Standard in the Final Carbon Monoxide Alarm Standard regarding the “Inside Area”^[6] location. Classrooms are no longer included in the Standard as an affirmative requirement for the installation of alarms because the statute limits the requirement to install carbon monoxide detectors to units, which HUD interprets to allow HUD to require carbon monoxide detectors in units or in Inside Areas where such installation protects the Unit from potential sources of carbon monoxide originating from outside the unit. This Standard is substantively consistent with chapters 9 and 11 of the 2018 IFC, and HUD is not adopting an alternate standard.

The Final NSPIRE Rule requires compliance with HUD carbon monoxide standards in both the Inside Area and the Unit. Deficiency 1 addresses both the Inside Area and Unit requirement. Deficiency 1 is categorized as a “Unit” deficiency because deficiencies will be counted per affected unit.

A commenter suggested that the CO requirement and related inspection Standard go out as a separate rulemaking.

As discussed further in the NSPIRE Final Rule, because these conforming rule changes merely codify a new statutory requirement, HUD has determined that additional notice and public comment is unnecessary.

A commenter inquired if carbon monoxide detectors would be required if there were a fuel-burning appliance or fuel-burning fireplace outside, in areas not connected to the unit.

In limited circumstances, if there are communicated openings to the unit, a fuel-burning appliance or fireplace outside the unit may trigger the CO detector requirement. However, in most circumstances, CO detectors will only be required if the fuel burning appliance or fireplace is directly attached to or within the unit or if an unventilated garage is attached to the unit. HUD emphasizes that if there is an attached, unventilated garage, CO detectors are required, even if there is not a fuel-burning appliance or fuel-burning fireplace in the unit or building.

Door—Entry

The severity level for unit entry door has been elevated to Life-Threatening. Although a unit entry door may not be a fire labeled door, it may still offer some level of protection from fire and smoke during the outbreak of a fire. The presence of a non-fire-labeled unit entry door provides residents with an opportunity to shelter in place while a fire is extinguished or be rescued by emergency personnel. The health and safety risk to a resident occupying a unit missing an entry door during a fire could rise to the level of Life-Threatening. Additionally, a missing unit entry door may negatively affect the physical safety and security of resident.

Egress

Deficiency criteria for this Standard have been changed to assure alignment with state and local code requirements for egress. The Standard now aligns with those requirements by requiring bedroom window egress only for units in the building's 3rd level and below, and living room windows are not considered egress for the purposes of this Standard, unless there is a fire escape present.

Electrical—Conductor

Commenters suggested that a missing lightbulb should not be considered a Life-Threatening condition, noting that this is a commonly encountered condition that is readily remedied (for example, by placing a new lightbulb in the socket).

Given that a missing lightbulb has not been identified as a systemic safety concern in the most recent research in residential electrical safety, a missing light bulb will not be cited as an exposed conductor. However, a missing light bulb may be cited under the Lighting—Interior Standard as an inoperable fixture if a light bulb is not installed during the inspection to demonstrate the fixture is in proper working condition.

The unprotected outlet Deficiency (“An unprotected outlet is present within six feet of a water source”) was moved from the Electrical—Outlet and Switch Standard to the Electrical—Ground-

Fault Circuit Interrupter (GFCI) or Arc-Fault Circuit Interrupter (AFCI)—Outlet or Breaker, and GFCI is now specified as a requirement, following the Final NSPIRE Rule. This was for clarity of presentation of the Deficiencies and to assure compliance with the Final NSPIRE Rule.

The Electrical—Outlet and Switch Standard and the Electrical—Conductor Standard, which were separate in the proposed Standards, have been combined into a single Standard for the Final Standards Notice: Electrical—Conductor, Outlet, and Switch. This was for clarity of presentation of the Deficiencies. A Deficiency has been added to that final Standard, “Water is currently in contact with an electrical conductor” due to the shock and fire risks associated with this condition.

A commenter expressed concern that, with a “Leak” deficiency in the “Electrical—Conductor” Standard, remnant water stains (and not active leaks) may be cited as a deficiency, and suggested that only currently active water stains should be cited. The commenter also noted that certain electronic components are designed to be used in wet locations. Furthermore, the commenter stated that there is already a Leak Standard, that is not specific to leaks near electrical components.

HUD agrees with these comments and has clarified the definitions to state that only active leaks are to be cited, and that leaks near a component confirmed to be waterproof would not be cited. HUD clarifies that a leak cited under this deficiency will not also be cited under the “Leak” deficiency.

A commenter noted that there are existing local or state jurisdictions that already have requirements for electrical safety.

HUD emphasizes that local code requirements must be met for all HUD-assisted housing. Please see HUD's discussion below, under “Safe” Drinking Water, on superseding local code.

Fire Labeled Doors

The Fire Labeled Door Standard includes deficiency criteria specific to these types of doors where present. The deficiencies include function and operability criteria critical to the function of these fire safety components where present in buildings.

A commenter suggested that the Fire Door Standard should only apply if there is already an existing fire door (or doors), and that there should not be an affirmative requirement for Fire Doors in HUD assisted housing.

HUD agrees that the Fire Door Standard should only apply for Fire Doors that are already present and is taking this opportunity to emphasize that under NSPIRE Fire Doors will not be a new affirmative requirement. HUD believes that Fire Doors are essential to resident safety, to prevent death and injury, and therefore Fire Doors that are present will be inspected under

NSPIRE and where present must operate effectively to reduce risk of death or injury due to fire and related hazards.

A commenter stated that the Fire Door inspection may require additional technical training for inspectors and inquired about technical requirements for inspectors to inspect fire doors.

HUD acknowledges the technical training and educational requirements necessary to assess Fire Doors. Training required for this inspection will be provided. NSPIRE Inspectors would not be performing a technically exhaustive Fire Door inspection themselves and would receive training as to when to refer potential issues to an appropriate, technically trained and proficient individual.

Graffiti

The Graffiti Standard has been removed. In the proposed NSPIRE Standards, HUD had carried Graffiti through from prior versions of HUD inspection Standards. A commenter on the proposed Standards pointed out that Graffiti does not have a clear health and safety risk. HUD has reviewed this Standard and believes that it is unnecessary and therefore is removing it from the NSPIRE Standards.

Guardrails

The Guardrail Standard includes prescriptive deficiency criteria for guardrails where missing above elevated surfaces to protect from fall hazards along balconies, stairs, ramps, decks, rooftops, hallways, retaining walls, and other walking surfaces.

A commenter raised concern about the cost of installation of guardrails in properties where guardrails are not currently installed.

HUD believes that guardrails are essential to resident safety, to prevent death or injury from falls, and therefore guardrails are critical to the NSPIRE inspection process. Guardrails are commonly required in local codes and therefore are an existing requirement under those local codes. Therefore, for many localities, this will not be a new requirement, and therefore this is not expected to have a material cost, under the NSPIRE rule. Please see the Final Rule's RIA for further explanation and analysis.

Handrails

The Handrail Standard includes a deficiency for handrails that are not functionally adequate and cannot reasonably be grasped by hand to provide stability or support when ascending or descending stairways.

The Handrail Standard also includes a new deficiency for stairs where no handrail is present and there is no evidence of previous installation. This deficiency is different from the deficiency for a missing handrail where there is evidence of previous installation. This deficiency will not be scored and there is no requirement for a correction. Given the significant health impacts resulting from trip and fall injuries, it would still benefit properties to address these risks expeditiously. The data from this deficiency will be monitored and an affirmative requirement for handrails will be considered for the standards in future rule making.

Infestation

The Infestation Standard includes deficiencies based on discrete levels of observed conditions, and refinement of the associated Health and Safety categorizations.

Commenters discussed adverse health outcomes attributable to infestation in the home and asserted that there are conditions in the home related to infestation that should be categorized as Life-Threatening. While some infestation deficiencies would be expected to have severe impacts on health and safety of the resident—for example, the documented effect of cockroaches on asthma—pest infestations are not documented to be life-threatening per the NSPIRE definition (*i.e.*, presenting “a high risk of death to the resident”).

Commenters suggested that the Correction Timeframe should not be based on eradication of the pests, but should be based on initiation of an appropriate pest management plan. That is, all pests would not need to be eradicated within the Correction Timeframe, but the POA should have an appropriate pest management plan implemented within the correction timeframe.

HUD confirms that initiation of an appropriate pest management plan meets the requirement for correction, with the understanding that, while pests may still be present at the start of the pest management plan, they will be managed through the pest management plan. On-going implementation of an appropriate pest management plan (*i.e.*, a pest management plan documented and initiated prior to the inspection) will also satisfy this condition. Within the correction timeframe, documentation must be provided for the pest management plan, and this documentation must include: start date of the plan; servicing schedule; methods of pest monitoring, managing and treatment; and other factors as determined by HUD, the PHA, and/or other relevant authority. Integrated Pest Management (IPM) is strongly encouraged; IPM, broadly stated, uses prevention-based pest management methods, with a focus on:

- Identifying and correcting building conditions that contribute to infestation;
- Reducing use of pesticides (especially routine or untargeted pesticide application);

- Modification of hygiene and sanitation practices in and on the property; and
- Assessment and on-going monitoring to assure appropriate interventions as needed.

A commenter suggested that additional pest species should be included in the Infestation Standard including ants, spiders, fleas, raccoons, squirrels, and snakes.

The presence of any pest (*i.e.*, an animal or animals with potential impacts on resident health and safety) would constitute evidence of an infestation and therefore be counted as a deficiency. The presence of rats, mice, cockroaches, and bed bugs specifically are each identified as separate deficiencies because they are common forms of infestation that present certain health risks and challenges that HUD wishes to identify specifically. This is not intended to be a complete list of pests, and additional pests are noted in the “other pests” Deficiency of the Infestation Standard. Therefore, those pests identified by the commenter are covered under the Infestation Standard and would constitute a deficiency if present.

Mold-Like Substance

The Mold-Like Substance Standard includes deficiencies based on discrete levels of observed conditions and a ventilation or dehumidification requirement for bathrooms to reduce conditions conducive to mold growth. The Deficiency “Presence of mold-like at very low levels is observed visually” has been removed, as concerns were raised with regards to move-in for HCV programs (presence of LT conditions prevents move-in for HCV residents).

Commenters discussed adverse health outcomes attributable to mold in the home and asserted that there are conditions in the home related to mold that should be categorized as Life-Threatening.

HUD agrees that certain Mold-Like Substance conditions should be considered Life-Threatening. Presence of Mold-like Substance at extremely high levels in the Unit is considered a Life-Threatening Deficiency.

A commenter asked whether the ventilation Deficiency in the Mold-Like Substance Standard includes an affirmative requirement for mechanical ventilation, a window (in the bathroom), or a dehumidifier.

For this Standard and Deficiency, HUD is not being prescriptive as to the means of reducing humidity in a bathroom. This requirement may be met by one or more of the methods noted by the commenter (mechanical ventilation, an openable window, a dehumidifier); however, other means may also be employed to reduce the humidity below levels conducive to mold growth.

A commenter suggested that using instrumentation such as moisture meters and infrared cameras would add to the time it would take to perform the inspection, and that use of the equipment would require technical training.

HUD believes that any increased inspection time would be warranted by the increased attention to critical health and safety hazards related moisture and the subsequent benefits due to the identification and correction of those hazards. Please see the RIA for further analysis.

HUD clarifies that these instruments (moisture meters, IR cameras) are for use by inspectors with specific training in use of those devices.

A commenter asked if HUD would provide training for mold-related inspection devices. HUD will not provide training for moisture meters or IR cameras, but training is available from other sources.

A commenter stated that moisture may be due to resident activities (*e.g.*, varying use of vents, fans, or air conditioners to reduce moisture and humidity) and that moisture and humidity vary across climate zones, and that this variability would raise concerns about general applicability of a moisture-related Standard.

Tenant activities will be covered in the administrative notice. Also, ambient/air moisture (*i.e.*, humidity) would not be covered under a moisture deficiency; the moisture deficiency is solely limited to building components.

A commenter expressed concern that use of instruments that would be predictive of mold risk may lead to an increase in the number of cited deficiencies that are not directly health and safety concerns, and that this may discourage landlord participation in HUD programs and subsequently decrease housing availability. A commenter also suggested that, due to the predictive nature of the deficiency (that is, the deficiency does not appear to cite a health or safety deficiency, but the potential for such a future deficiency) and associated uncertainty (including due to technical ability of the instrument user), this assessment might not provide a clear health benefit to the resident, while decreasing landlord participation and associated housing availability.

The moisture meter will be used to record values for moist surfaces that have already been visually identified as apparently moist by visual assessment. Increased interior building moisture is a condition conducive to fungal growth, with associated respiratory health outcomes. This usage will also provide data for further assessment of use of moisture meters in NSPIRE inspections.

A commenter expressed concern that recommending (and not requiring) a tool would introduce increased variability of inspection outcomes, as some inspectors may carry that particular piece of equipment (IR Camera, in this case), whereas other inspectors may not.

IR Cameras are optional and will not be used on their own to cite a deficiency. If a thermal anomaly is observed using an IR camera, the moisture meter must be used to confirm whether there is elevated moisture present. IR camera cannot be used by itself.

A commenter stated that use of moisture meters and IR cameras could be an effective proactive assessment of potential health hazards.

HUD agrees that use of moisture meters and IR cameras would, with proper implementation, be expected to increase the health and safety related conditions of housing by adding to the available information related to conditions that are conducive to mold growth.

Potential Lead-Based Paint Hazards Visual Assessment

The Potential Lead-based Paint Hazards Standard includes a deficiency that incorporates the HQS requirements for an enhanced visual assessment for deteriorated paint where there is a child under 6 years of age residing in the unit. The Final Standard is unchanged from the proposed Standard; however, the administrative notice will include updated inspection processes for this Standard.

Sprinkler Assembly

The Sprinkler Assembly Standard includes deficiencies based on discrete levels of observed conditions, and refinement of the associated Health and Safety categorizations. Small flecks of paint will not be cited as a Deficiency in the Final NSPIRE Sprinkler Assembly Standard. Corrosion has been added as a separate Deficiency in the Final Standard. These changes were based on assessments of the respective safety risks of these conditions.

Structural System

The Structural System Standard includes a deficiency that captures signs of serious structural collapse and may threaten resident safety. This is different from UPCS, as serious structural deficiencies in UPCS were spread across the various building components (*e.g.*, Foundations, Storm Drainage, Walls), whereas NSPIRE combines them into a single Standard. Structural deficiencies were also included in HQS, and as with UPCS were included as deficiencies specific to various building components, for interior conditions (ceiling, wall, or floor) and the building exterior (stairs, rails, porches, roof and gutters).^[2]

A commenter asked about the technical qualifications required to assess structural systems.

HUD acknowledges the technical training and educational requirements to assess structural systems. Training required for this inspection will be provided. NSPIRE Inspectors will not be making structural stability assessments and would receive training as to when to refer potential structural systems issues to an appropriate, technically trained and proficient individual.

Address and Signage

HUD received a comment raising concern about potential cost of installation of address and signage (“address signage”) on buildings where address signage is not currently installed.

HUD believes that adequate address signage is essential to resident safety, to assure that emergency services can quickly and efficiently find sites within a property, and therefore adequate signage is critical to the NSPIRE inspection process. HUD notes that Project Signs were required to be legible under the previous UPCS Standards.^[8] Please see the Final Rule's RIA for further analysis.

Electrical—GFCI or AFCI—Outlet or Breaker

Commenters raised concern about the cost of installation of GFCIs in properties where GFCIs are not currently installed.

HUD believes that GFCIs are essential to resident safety, to prevent death and injury, and therefore GFCIs are critical to the NSPIRE inspection process. GFCIs are commonly required in local codes and therefore are an existing requirement under those local codes. Therefore, for many localities, this will not be a new requirement. Please see the Final Rule's RIA for additional explanation and analysis of the benefits and costs associated with this Deficiency.

A commenter stated that using instrumentation would add time to the inspection, and also add the additional cost of that instrumentation.

HUD believes that any increased inspection time would be warranted by the increased attention to critical health and safety hazards in the inspection and the subsequent benefits due to the identification and correction of those hazards. HUD believes that any increased inspection burden due to increased instrumentation requirements would be minimal and would be warranted by the increased attention to electrical hazards due to unprotected outlets, which is a critical safety condition of the home, and the subsequent benefits due to the identification and correction of such hazards in the residence.

A commenter suggested the word “unprotected” be clarified. HUD has clarified that “Unprotected” in the GFCI Standard refers to an outlet that is not GFCI protected.

A commenter noted that there are local or state jurisdictions that already have requirements for electrical systems, including for GFCI.

HUD notes that this would similarly be the case for nearly all NSPIRE Standards, as there are analogous state or local code requirements to the NSPIRE Standards. Please see the discussion below, under ‘ “Safe” Drinking Water’, regarding superseding local code.

A commenter suggested that HUD should explicitly state that inspectors are allowed to use either a receptacle tester with a GFCI test button or the integral device tester during the inspection process, and that HUD should not prescribe a specific tool that inspectors must use, but rather include a list of tools that meet industry standards.

HUD will allow use of either a receptacle tester with a GFCI test button or the integral device tester during the inspection process. HUD does not plan to prescribe a specific tool that inspectors must use but will include a list of tools that meet industry standards.

Fire Extinguisher

A commenter asked if tenant-owned Fire Extinguishers would be inspected. Tenant-owned fire extinguishers will not be inspected under NSPIRE.

Window

A commenter stated that it was not clear if window screens that are missing or damaged would be a deficiency.

If window screens are present and are damaged, this is an NSPIRE Deficiency. Window screens are not a new affirmative requirement. However, if window screens are present, they must be functional, and if there is evidence that window screens were previously installed in a location, the window screen must be present.

Playgrounds

A commenter asked why there are not Standards for playgrounds in NSPIRE. Though not specifically limited to playgrounds, there are current NSPIRE Standards which would apply to playgrounds. For example, Trip Hazard and Sharp Edges, would apply to playgrounds.

Overgrown Vegetation

A commenter asked if overgrown vegetation would be inspected for. There is not an overgrown vegetation deficiency or Standard per se in NSPIRE; however, if the overgrown vegetation is causing an NSPIRE Deficiency, for example by damaging roofing or siding materials, it must be addressed. Also, vegetation management may be a component of an IPM plan. NSPIRE's focus is on hazards in the unit. An IPM plan, triggered by a pest deficiency, can include modifications to the site. PHAs and Owners should work with an IPM consultant to tailor the IPM inspection and

control plan to the property. Additionally, property owners must follow all local requirements, including those for vegetation management, such as for nuisance or overgrown vegetation.

General Comments

HUD also received comments on general topics including increased on-site inspection time due to the new Standards, tenant-caused damage (including resident housekeeping), tenant-owned property, and the status of “non-industry standard” (NIS) repairs.

HUD believes that any increased inspection time would be warranted by the increased attention to critical health and safety hazards in the inspection and the subsequent benefits due to the identification and correction of those hazards. Please see the Final Rule's RIA for further explanation and analysis. Tenant-caused damage and tenant owned property will be discussed in the administrative notice.

A “non-industry standard” (NIS) designation is not included in NSPIRE. NSPIRE allows that there may be interim repairs that remove a health and safety hazard even though those repairs are not permanent; for example, a missing GFCI can have an interim repair such as blank cover plates. Such interim repairs must be fully repaired within a reasonable timeframe approved by HUD or a designee (such as a PHA). Interim repairs are not required to be aesthetically pleasing or conforming to other aspects of the building and HUD acknowledges that such repairs may have salient qualities^[9] that disproportionately attract attention, but if the interim repair effectively removes the health and safety hazard until full repair is performed and if full repair is completed within the required timeframe, then the interim repair is acceptable under NSPIRE. If the interim repair is implemented prior to the inspection, the timeline for *full repair* begins at the time of inspection, without regard to the time of the initial, pre-inspection implementation of the interim repair.

“Safe” Drinking Water

Commenters raised concern that including drinking water in the NSPIRE inspection would add to the inspection process (and time required for the inspection) and that another federal agency (EPA) and state and local entities already perform oversight of drinking water, and that a separate entity from the POA or PHA supplies the water and maintains the pipes, and that the technical and administrative burdens may be too much and that this inspection process may not be technically feasible given the training that may be required for water testing or evaluation of water quality documentation, and also that private well water is not currently regulated and it is unclear how private well water would be affected by this regulatory change.

HUD will not inspect for water quality per se. The NSPIRE safe drinking water component will only entail (1) visual inspection for lead service lines and (2) assessment (via an information request, not physical inspection) if there has been a water outage or water alert and the response, if an outage or alert has occurred. This is solely for the purpose of data collection and will not be scored. This will be covered in more detail in the administrative notice.

Several commenters noted that there are local and state codes and requirements for drinking water, and that HUD should not supersede those codes.

HUD confirms that HUD inspection Standards do not supersede local or state code, law, or regulation. The property must meet all applicable property condition standards under Federal, state, and local law. Conforming to HUD inspection Standards does not put the property at risk of violating local or state code, law, or regulation. HUD Standards may exceed local or state requirements, but they do not contradict those local or state requirements. Where local or state codes, laws, or regulations exceed HUD Standards, the property must comply with the most stringent applicable standards.

A commenter raised the concern that property owners may not be knowledgeable with regards to current local water alerts or the public water system serves their property, and that this may delay the lease-up process.

HUD believes that adequate levels of technical proficiency can be achieved with appropriate training. HUD believes, given that property owners manage their water bills, that they are aware of the identity of their local water provider.

Heating Ventilation and Air Conditioning (HVAC)

Commenters recommended that HUD use the International Energy Conservation Code (IECC) and the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)'s Climate Classification for Building Energy Codes and Standards.^[10] This climate map is also used by Energy Star (US EPA) and includes eight climate map designations based on temperature and precipitation.

HUD appreciates the technical quality of the suggested document; however, it does not include all jurisdictions covered by NSPIRE (it only includes U.S. States, and therefore Puerto Rico, Guam, U.S. Virgin Islands, American Samoa, and the Commonwealth of Northern Mariana Islands are not covered by it). HUD will require permanent heating sources in all locales except for Hawaii, Puerto Rico, Guam, U.S. Virgin Islands, American Samoa, and the Commonwealth of Northern Mariana Islands; this follows the International Energy Conservation Code (IECC). Those localities where permanent heating sources will not be required are Tropical (per IECA designation).

A comment provided that there are local or state jurisdictions that already have requirements for heating and cooling and recommended deference to local code.

HUD notes that this would similarly be the case for nearly all NSPIRE Standards, as there are analogous state or local code requirements to the NSPIRE Standards. Please see HUD's discussion above, under ' "Safe" Drinking Water', on superseding local code.

Permanently Installed Heating Source

A commenter suggested that minimum temperature requirements should only apply in "heating months of the year," depending on location in the US, and suggested that HUD use the International Energy Conservation Code (IECC) and the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)'s "Climate Classification for Building Energy Codes and Standards."

HUD notes that while the NSPIRE inspection might not be performed at a time of the year when the resident would require heating, adequate heat in the dwelling must be available when required, and the NSPIRE inspection must be performed when scheduled, even if that inspection is not performed when, for example, heat would be required in the dwelling. Therefore, the inspection requirements must be applicable at the time of inspection.

A commenter raised concern about the additional time (relative to a UPCS inspection) this might require.

HUD believes that any increased inspection time would be warranted by the increased attention to housing temperature, which is a critical health condition of the home, and the subsequent benefits due to the identification and correction of temperature related hazards.

A commenter noted that people with disabilities may have heating or cooling requirements that are above and below those of many other housing residents.

HUD acknowledges that some residents may have temperature needs that are above or below those that are established in NSPIRE and that housing providers must provide for these temperature needs for tenants with disabilities as a reasonable accommodation. This may be dealt with administratively, for example by a Database Adjustment.

A commenter stated that there are local or state jurisdictions that already have requirements for heating and cooling.

HUD emphasizes that local code requirements must be met for all HUD-assisted housing. Please see HUD's discussion above, under ' "Safe" Drinking Water', on superseding local code.

A commenter noted that maintaining appropriate temperatures is a fire safety issue, in addition to a direct health risk and a direct influence on quality of life. For example, when a unit is not able

to be adequately heated to safe and comfortable levels, tenants will necessarily utilize other, often more dangerous means to heat their homes.

HUD agrees that heating requirements address fire safety concerns as well as health concerns.

Commenters noted that tenant choice may affect the point-in-time temperature measurement in a Unit (*i.e.*, the tenant may choose to have the Unit be colder or warmer than a given requirement), and therefore testing operability (and not indoor air temperature) of the HVAC equipment would be the better inspection methodology.

This will be covered in the administrative notice. Temperature measurement processes and protocols will be based on IPMC 602 Heating Facilities (2021) ^[11] and PIH Notice 2018-19. ^[12]

A commenter asked about technical instrumentation, including the need for calibration of thermometers, and effects of location where the temperature is determined (*e.g.*, different locations in a building or unit will have different temperatures).

Proper training, including for calibration and for determining location of temperature measurements, will be available for inspectors.

A commenter stated that there would be additional burden on the inspector to carry additional equipment (*i.e.*, a thermometer).

HUD believes that any increased inspection burden due to increased instrumentation requirements will be minimal and will be warranted by the increased attention to housing temperature, which is a critical health condition of the home, and the subsequent benefits to the resident due to the identification and correction of temperature related hazards in the residence.

Definition of Permanently Installed Heating Source

Commenters suggested that “permanent” be contrasted with “temporary” or “portable”, and that “permanent” would have a “hard” mounting and would be directly wired to a power source or on a dedicated breaker. A commenter suggested that HUD should define “permanently installed heating sources” as heating sources that are attached to the building (*i.e.*, secured and not portable). A commenter suggested that the definition should include central systems, baseboard heating, and permanently affixed in-wall units. A commenter noted that the International Property Maintenance Code (IPMC) does not define “permanently installed heating facilities,” but does list items that may not be considered compliant with the heating facility requirement; excluded items are “cooking appliances,” “portable unvented fuel-burning space heaters,” and “one or more portable space heaters.” A commenter stated that “permanently installed heating sources” could be defined as having a “hard” mounting or attached to a building and one that is directly wired to a power source on a dedicated breaker, which would allow for a different definition between permanent and temporary.

HUD agrees with the comments that a permanent heating source should be neither temporary nor portable and should be directly wired to the building's power source. HUD agrees that Permanent Heating Sources should include central systems, baseboard heating, and permanently affixed in-wall units. HUD agrees that Permanent Heating Systems should not include cooking appliances or portable heaters. HUD agrees that power source on a dedicated breaker is a part of the definition and though that specific wording is not specifically designated, "safely connected to the unit or building electrical system" is specified and HUD believes that this is inclusive of the suggested language.

Additionally, HUD states in the comment responses in the final NSPIRE rule that a fireplace would not be considered a permanent heating source, and that permanent heating sources are: typically specified as being self-fueled; permanently affixed within the unit or building; safely connected to the unit or building electrical system; thermostatically controlled by the unit or building; and appropriate for the size of the unit.

These comments have been incorporated into the definition of "Permanent Heating Source" that is provided in the NSPIRE Heating, Ventilation, and Air Conditioning (HVAC) Standard.

Unvented, Fuel-Burning Space Heaters

Multiple commenters reiterated the critical health risks of unvented space heaters. A commenter stated that space heaters may impact the internal thermometers of a building and thereby cause some areas to be underheated or some areas to be overheated; this will cause the inefficient heating of a building and will cause energy to be wasted, thereby impairing the energy efficiency of buildings.

A commenter stated that space heaters per se are permitted in some jurisdictions and recommended that HUD should take that into consideration in order to avoid adversely affecting the HCV program in some localities.

HUD acknowledges that tenants may be using their own space heaters. HUD reiterates the critical health and safety risk of unvented fuel-burning space heaters and emphasizes the prohibition of unvented space heaters.

Correction Timeframes for Severe (Non-Life Threatening) Deficiencies

Commenters recommended that, ideally, correction timeframes would be addressed directly in the Standards, but also acknowledged that this may not always be possible and that, while administrative processes may not be the most efficient way to adjust correction times, it is sometimes the only option. Commenters suggested that HUD define an administrative process wherein an owner may request additional time to make repairs for good cause, with defined criteria for what constitutes good cause. A commenter stated that, for numerous reasons (*e.g.*,

supply chain disruption, labor availability, season/outdoor weather) repairs may not be possible within the required timeframes.

HUD agrees that, where possible, correction timeframes should be addressed in the Standards notice, but also agrees that an administrative process for determining a correction timeframe is necessary under certain circumstances. Therefore, HUD will include correction timeframes for each deficiency in the Standards, but will also provide the opportunity to adjust those timeframes when necessary via administrative procedure. This will be discussed in the Administrative Notice.

HUD also notes that temporary relocation of residents is also an option if appropriate repairs cannot be performed in the required timeframe. Additionally, as discussed above, appropriate interim repair may be allowable, if the safety and health hazard is sufficiently corrected such that they no longer pose a severe health or safety risk to residents of the property, or that the hazard is blocked until permanent repairs can be completed. Interim repair does not remove the requirement for timely and full repair of the Deficiency.

The Effect of the NSPIRE Standards on Participation in HUD's Programs

For all the above changes, HUD also sought comments on whether those proposed requirements, as applied to all covered housing, would substantially narrow the pool of available rental housing for families participating in HUD's programs.

A commenter asserted that the changes may limit housing availability if they exceed local requirements. Commenters also noted that regulatory requirements, including inspection Standards, may discourage landlords from participating in voucher programs. Commenters stated that the correction timeframes may discourage landlord participation, and that exemptions or different time frames for natural disasters, tenant/resident caused damage, season (*e.g.*, for painting outside), and labor or material constraints (including supply chain disruption) could mitigate this potential discouragement.

Commenters stated that housing conditions should be the same with regards to health and safety conditions for all housing, and that conditions such as mold and pest infestations, among other conditions, would not be tolerated in people's homes and that the safety, well-being and dignity of all must be maintained.

A commenter expressed concern that HUD appears to be loosening standards for landlords through extending response timeframes. A commenter noted that property owners receive funds to provide decent, safe and healthy housing, and they can obtain additional funds to remedy substandard conditions, and therefore that the new NSPIRE Standards should be achievable.

HUD appreciates and acknowledges the concerns and comments that were provided and believes that the focus on health and safety will benefit residents and property owners. Additionally, inspections may provide property owners and agents with a critical opportunity they might not otherwise receive to examine the conditions of their units and provide assurance that health and safety standards are being met.^[13] HUD has included consideration of potential constraints on housing availability when developing the NSPIRE Standards and believes that the NSPIRE Standards are achievable. The RIA for the final rule includes analysis of the costs and benefits associated with the NSPIRE rule.

VI. The NSPIRE Standards

As explained in the background section of this notice, previous versions of the NSPIRE Standards have been published to and are archived on the HUD website. For the proposed NSPIRE Standards notice, HUD sought comment on Version 2.2 of the NSPIRE Standards and made them available for review via the NSPIRE web page on the HUD website.

The final NSPIRE Standards are available at: https://www.hud.gov/sites/dfiles/PIH/documents/6092-N-05nspire_final_standards.pdf.

In addition to the NSPIRE Standards themselves, there have also been revisions to the Health and Safety category titles and those revisions are as follows:

1. The “Severe Non-Life-Threatening” category is now titled “Severe”;
2. The “Standard” category is now titled “Moderate”; and
3. The “N/A” or “Advisory” category is now titled “Low”.

Originally, HUD intended Advisory deficiencies to act as warnings to the property of issues which may rise to the level of a Moderate deficiency if unaddressed. Therefore, in the proposed Standards, Advisory deficiencies did not have a correction timeframe. Upon further consideration, however, HUD determined that these deficiencies still represent conditions that should be repaired, and therefore renamed “Advisory” to “Low” and, in “Request for Comments: National Standards for the Physical Inspection of Real Estate and Associated Protocols, Proposed Scoring Notice”^[14] (“the proposed Scoring notice”), HUD proposed a relatively small point deduction for Low deficiencies. In these final Standards, HUD is also adding a 60-day correction timeframe to these deficiencies.

Additionally, the Infestation, Mold-Like Substance, and Potential Lead-Based Paint Hazards—Visual Assessment Standards will include Deficiencies that are scored at the Life-Threatening level point deduction,^[15] despite being defined in the Severe H&S category. These Severe Health and Safety Deficiencies do not present risks consistent with the Life-Threatening definition, but they do present chronic health risks that are distinct from the other Severe Health and Safety

Deficiencies. This chronic health risk category includes deficiencies that, if evident in the home or on the property, present a high risk of causing or exacerbating a chronic and severe health condition; severe health conditions include permanent disability or serious illness. This includes cases in which the harm has a likelihood of accruing irrevocably in under 24 hours and may also include risks due to longer term exposure. This category does not define an additional risk ranking or correction timeframe; it is a sub-category to be used for scoring.

There have also been changes in the presentation of information with the Standards. For each inspection Standard, the definition, location, deficiency, deficiency criteria, health and safety determination, and correction timeframe have been listed. Further, HUD believes that housing standards must focus on habitability and the health and safety of residents. Each NSPIRE Standard contains “rationales,” or the reason the requirement is necessary. Rationales describe the potential harm that may result from a given deficiency if left uncorrected. Generally, rationales include the health, safety, and/or major functional or habitability issue, and illustrate why detection and remediation of the deficiency is critical to housing quality. Commenters noted that rationales were not provided in the version of the Standards provided with this notice. The rationales for the Standards and associated deficiencies will be available on HUD's Client Information Policy Systems (HUDCLIPS): <https://www.hud.gov/guidance>.

VII. Environmental Review

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50 which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available through the Federal eRulemaking Portal at <https://www.regulations.gov>.

Protections for Victims of Domestic Violence, Dating Violence, Sexual Assault or Stalking

When should I receive this form? A covered housing provider must provide a copy of the Notice of Occupancy Rights Under The Violence Against Women Act (Form HUD-5380) and the Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (Form HUD-5382) when you are admitted as a tenant, when you receive an eviction or termination notice and prior to termination of tenancy, or when you are denied as an applicant. A covered housing provider may provide these forms at additional times.

What is the Violence Against Women Act (“VAWA”)? This notice describes protections that may apply to you as an applicant or a tenant under a housing program covered by a federal law called the Violence Against Women Act (“VAWA”). VAWA provides housing protections for victims of domestic violence, dating violence, sexual assault or stalking. VAWA protections must be in leases and other program documents, as applicable. VAWA protections may be raised at any time. You do not need to know the type or name of the program you are participating in or applying to in order to seek VAWA protections.

What if I require this information in a language other than English? To read this information in Spanish or another language, please contact Big Language Solutions 1-800-752-6096 or email www.language.com
HOPWA providers - LivWell 1733 Broadway Paducah KY 42003 270-444-8131 or go to <https://livwellchs.org> You can read translated VAWA forms at https://www.hud.gov/program_offices/administration/hudclips/forms/hud5a#4. If you speak or read in a language other than English, your covered housing provider must give you language assistance regarding your VAWA protections (for example, oral interpretation and/or written translation).

What do the words in this notice mean?

- *VAWA violence/abuse* means one or more incidents of domestic violence, dating violence, sexual assault, or stalking.
- *Victim* means any victim of *VAWA violence/abuse*.
- *Affiliated person* means the tenant’s spouse, parent, sibling, or child; or any individual, tenant, or lawful occupant living in the tenant’s household; or anyone for whom the tenant acts as parent/guardian.
- *Covered housing program*¹ includes the following HUD programs:
 - Public Housing
 - Tenant-based vouchers (TBV, also known as Housing Choice Vouchers or HCV) and Project-based Vouchers (PBV) Section 8 programs
 - Section 8 Project-Based Rental Assistance (PBRA)
 - Section 8 Moderate Rehabilitation Single Room Occupancy
 - Section 202 Supportive Housing for the Elderly
 - Section 811 Supportive Housing for Persons with Disabilities
 - Section 221(d)(3)/(d)(5) Multifamily Rental Housing
 - Section 236 Multifamily Rental Housing
 - Housing Opportunities for Persons With AIDS (HOPWA) program
 - HOME Investment Partnerships (HOME) program
 - The Housing Trust Fund
 - Emergency Solutions Grants (ESG) program
 - Continuum of Care program
 - Rural Housing Stability Assistance program
- *Covered housing provider* means the individual or entity under a covered housing program that is responsible for providing or overseeing the VAWA protection in a specific situation. The covered housing provider may be a public housing agency, project sponsor, housing owner, mortgagor, housing manager, State or local government, public agency, or a nonprofit or for-profit organization as the lessor.

¹ For information about non-HUD covered housing programs under VAWA, see Interagency Statement on the Violence Against Women Act’s Housing Provisions at <https://www.hud.gov/sites/dfiles/PA/documents/InteragencyVAWAHousingStmnt092024.pdf>.

What if I am an applicant under a program covered by VAWA? You can't be denied housing, housing assistance, or homeless assistance covered by VAWA just because you (or a household member) are or were a victim or just because of problems you (or a household member) had as a direct result of being or having been a victim. For example, if you have a poor rental or credit history or a criminal record, and that history or record is the direct result of you being a victim of VAWA abuse/violence, that history or record cannot be used as a reason to deny you housing or homeless assistance covered by VAWA.

What if I am a tenant under a program covered by VAWA? You cannot lose housing, housing assistance, or homeless assistance covered by VAWA or be evicted just because you (or a household member) are or were a victim of VAWA violence/abuse. You also cannot lose housing, housing assistance, or homeless assistance covered by VAWA or be evicted just because of problems that you (or a household member) have as a direct result of being or having been a victim. For example, if you are a victim of VAWA abuse/violence that directly results in repeated noise complaints and damage to the property, neither the noise complaints nor property damage can be used as a reason for evicting you from housing covered by VAWA. You also cannot be evicted or removed from housing, housing assistance, or homeless assistance covered by VAWA because of someone else's criminal actions that are directly related to VAWA abuse/violence against you, a household member, or another affiliated person.

How can tenants request an emergency transfer? Victims of VAWA violence/abuse have the right to request an emergency transfer from their current unit to another unit for safety reasons related to the VAWA violence/abuse. An emergency transfer cannot be guaranteed, but you can request an emergency transfer when:

1. You (or a household member) are a victim of VAWA violence/abuse;
2. You expressly request the emergency transfer; **AND**
3. **EITHER**
 - a. you reasonably believe that there is a threat of imminent harm from further violence, including trauma, if you (or a household member) stay in the same dwelling unit; **OR**
 - b. if you (or a household member) are a victim of sexual assault, either you reasonably believe that there is a threat of imminent harm from further violence, including trauma, if you (or a household member) were to stay in the unit, or the sexual assault occurred on the premises and you request an emergency transfer within 90 days (including holidays and weekend days) of when that assault occurred.

You can request an emergency transfer even if you are not lease compliant, for example if you owe rent. If you request an emergency transfer, your request, the information you provided to make the request, and your new unit's location must be kept strictly confidential by the covered housing provider. The covered housing provider is required to maintain a VAWA emergency transfer plan and make it available to you upon request. To request an emergency transfer or to read the covered housing provider's VAWA emergency transfer plan, Contact Housing Authority of Paducah Section 8 HCV program at 2330 Ohio St Paducah KY 42003 or by phone at 270-450-4225 or 270-450-4208 or Section 8 270-450-4239 . The VAWA emergency transfer plan includes information about what the covered housing provider does to make sure your address and other relevant information are not disclosed to your perpetrator.

Can the perpetrator be evicted or removed from my lease? Depending on your specific situation, your covered housing provider may be able to divide the lease to evict just the perpetrator. This is called "lease bifurcation."

What happens if the lease bifurcation ends up removing the perpetrator who was the only tenant who qualified for the housing or assistance? In this situation, the covered housing provider must provide you and other remaining household members an opportunity to establish eligibility or to find other housing. If you cannot or don't want to establish eligibility, then the covered housing provider must give you a reasonable time to move or establish eligibility for another covered housing program. This amount of time varies, depending on the covered housing program involved. The table below shows the reasonable time provided under each covered housing programs with HUD. Timeframes for covered housing programs operated by other agencies are determined by those agencies.

Covered Housing Program(s)	Reasonable Time for Remaining Household Members to Continue to Receive Assistance, Establish Eligibility, or Move.
HOME and Housing Trust Fund, Continuum of Care Program (except for permanent supportive housing), ESG program, Section 221(d)(3) Program, Section 221(d)(5) Program, Rural Housing Stability Assistance Program	Because these programs do not provide housing or assistance based on just one person's status or characteristics, the remaining tenant(s), or family member(s) in the CoC program, can keep receiving assistance or living in the assisted housing as applicable.
Permanent supportive housing funded by the Continuum of Care Program	The remaining household member(s) can receive rental assistance until expiration of the lease that is in effect when the qualifying member is evicted.
Housing Choice Voucher, Project-based Voucher, and Public Housing programs (for Special Purpose Vouchers (e.g., HUD-VASH, FUP, FYI, etc.), see also program specific guidance)	<p>If the person removed was the only tenant who established eligible citizenship/immigration status, the remaining household member(s) must be given 30 calendar days from the date of the lease bifurcation to establish program eligibility or find alternative housing.</p> <p>For HUD-VASH, if the veteran is removed, the remaining family member(s) can keep receiving assistance or living in the assisted housing as applicable. If the veteran was the only tenant who established eligible citizenship/immigration status, the remaining household member(s) must be given 30 calendar days to establish program eligibility or find alternative housing.</p>
Section 202/811 PRAC and SPRAC	The remaining household member(s) must be given 90 calendar days from the date of the lease bifurcation or until the lease expires, whichever is first, to establish program eligibility or find alternative housing.
Section 202/8	<p>The remaining household member(s) must be given 90 calendar days from the date of the lease bifurcation or when the lease expires, whichever is first, to establish program eligibility or find alternative housing.</p> <p>If the person removed was the only tenant who established eligible citizenship/immigration status, the remaining household member(s) must be given 30 calendar days from the date of the lease bifurcation to establish program eligibility or find alternative housing.</p>
Section 236 (including RAP); Project-based Section 8 and Mod Rehab/SRO	The remaining household member(s) must be given 30 calendar days from the date of the lease bifurcation to establish program eligibility or find alternative housing.
HOPWA	The remaining household member(s) must be given no less than 90 calendar days, and not more than one year, from the date of the lease bifurcation to establish program eligibility or find alternative housing. The date is set by the HOPWA Grantee or Project Sponsor.

Are there any reasons that I can be evicted or lose assistance? VAWA does not prevent you from being evicted or losing assistance for a lease violation, program violation, or violation of other requirements that are not due to the VAWA violence/abuse committed against you or an affiliated person. However, a covered housing provider cannot be stricter with you than with other tenants, just because you or an affiliated person experienced VAWA abuse/violence. VAWA also will not prevent eviction, termination, or removal if other tenants or housing staff are shown to be in immediate, physical danger that could lead to serious bodily harm or death if you are not evicted or removed from assistance. **But only if no other action can be taken to reduce or eliminate the threat** should a covered housing provider evict you or end your assistance, if the VAWA abuse/violence happens to you or an affiliated person. A covered housing provider must provide a copy of the Notice of Occupancy Rights Under The Violence Against Women Act (Form HUD-5380) and the Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (Form HUD-5382) when you receive an eviction or termination notice and prior to termination of tenancy.

What do I need to document that I am a victim of VAWA abuse/violence? If you ask for VAWA protection, the covered housing provider may request documentation showing that you (or a household member) are a victim. **BUT** the covered housing provider must make this request in writing and must give you at least 14 business days (weekends and holidays do not count) to respond, and you are free to choose any one of the following:

1. A self-certification form (for example, Form-HUD 5382), which the covered housing provider must give you along with this notice. Either you can fill out the form or someone else can complete it for you;
2. A statement from a victim/survivor service provider, attorney, mental health professional or medical professional who has helped you address incidents of VAWA violence/abuse. The professional must state "under penalty of perjury" that he/she/they believes that the incidents of VAWA violence/abuse are real and covered by VAWA. Both you and the professional must sign the statement;
3. A police, administrative, or court record (such as a protective order) that shows you (or a household member) were a victim of VAWA violence/abuse; **OR**
4. If allowed by your covered housing provider, any other statement or evidence provided by you.

It is your choice which documentation to provide and the covered housing provider must accept any one of the above as documentation. The covered housing provider is prohibited from seeking additional documentation of victim status or requiring more than one of these types of documentation, unless the covered housing provider receives conflicting information about the VAWA violence/abuse.

If you do not provide one of these types of documentation by the deadline, the covered housing provider does not have to provide the VAWA protections you requested. If the documentation received by the covered housing provider contains conflicting information about the VAWA violence/abuse, the covered housing provider may require you to provide additional documentation from the list above, but the covered housing provider must give you another 30 calendar days to do so.

Will my information be kept confidential? If you share information with a covered housing provider about why you need VAWA protections, the covered housing provider must keep the information you share strictly confidential. This information should be securely and separately kept from your other tenant files. No one who works for your covered housing provider will have access to this information, unless there is a reason that specifically calls for them to access this information, your covered housing provider explicitly authorizes their access for that reason, and that authorization is consistent with applicable law.

Your information **will not be disclosed** to anyone else or put in a database shared with anyone else, except in the following situations:

1. If you give the covered housing provider written permission to share the information for a limited time;
2. If the covered housing provider needs to use that information in an eviction proceeding or hearing; or
3. If other applicable law requires the covered housing provider to share the information.

How do other laws apply? VAWA does not limit the covered housing provider's duty to honor court orders about access to or control of the property, or civil protection orders issued to protect a victim of VAWA abuse/violence. Additionally, VAWA does not limit the covered housing provider's duty to comply with a court order with respect to the distribution or possession of property among household members during a family break up. The covered housing provider must follow all applicable fair housing and civil rights requirements.

Can I request a reasonable accommodation? If you have a disability, your covered housing provider must provide reasonable accommodations to rules, policies, practices, or services that may be necessary to allow you to equally benefit from VAWA protections (for example, giving you more time to submit documents or assistance with filling out forms). You may request a reasonable accommodation at any time, even for the first time during an eviction. If a provider is denying a specific reasonable accommodation because it is not reasonable, your covered housing provider must first engage in the interactive process with you to identify possible alternative accommodations. To request a reasonable accommodation, please contact Housing Authority of Paducah/ Section 8 HCV program at 270-450-4239 . Your covered housing provider must also ensure effective communication with individuals with disabilities.

Have your protections under VAWA been denied? If you believe that the covered housing provider has violated these rights, you may seek help by contacting National Hotline 1-800-799-7233 . You can also find additional information on filing VAWA complaints at <https://www.hud.gov/VAWA> and https://www.hud.gov/program_offices/fair_housing_equal_opp/VAWA. To file a VAWA complaint, visit <https://www.hud.gov/fairhousing/fileacomplaint>.

Need further help?

- For additional information on VAWA and to find help in your area, visit <https://www.hud.gov/vawa>.
- To talk with a housing advocate, contact Merryman House 1-800-585-2686 or ZeroV 502-209-5382

Public reporting burden for this collection of information is estimated to range from 45 to 90 minutes per each covered housing provider's response, depending on the program. This includes time to print and distribute the form. Comments concerning the accuracy of this burden estimate and any suggestions for reducing this burden can be sent to the Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street, SW, Washington, D.C. 20410. This notice is required for covered housing programs under section 41411 of VAWA and 24 CFR 5.2003. Covered housing providers must give this notice to applicants and tenants to inform them of the VAWA protections as specified in section 41411(d)(2). This is a model notice, and no information is being collected. A Federal agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.

**CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING**

Confidentiality Note: Any personal information you share in this form will be maintained by your covered housing provider according to the confidentiality provisions below.

Purpose of Form: If you are a tenant of or applicant for housing assisted under a covered housing program, or if you are applying for or receiving transitional housing or rental assistance under a covered housing program, and ask for protection under the Violence Against Women Act ("VAWA"), you may use this form to comply with a covered housing provider's request for written documentation of your status as a "victim". This form is accompanied by a "Notice of Occupancy Rights Under the Violence Against Women Act," Form HUD-5380.

VAWA protects individuals and families regardless of a victim's age or actual or perceived sexual orientation, gender identity, sex, or marital status.

You are not expected **and cannot be asked or required** to claim, document, or prove victim status or VAWA violence/abuse other than as stated in "Notice of Occupancy Rights Under the Violence Against Women Act," Form HUD-5380.

This form is **one of your available options** for responding to a covered housing provider's written request for documentation of victim status or the incident(s) of VAWA violence/abuse. If you choose, you may submit one of the types of third-party documentation described in Form HUD-5380, in the section titled, "What do I need to document that I am a victim?". Your covered housing provider must give you at least 14 business days (weekends and holidays do not count) to respond to their written request for this documentation.

Will my information be kept confidential? Whenever you ask for or about VAWA protections, your covered housing provider must keep any information you provide about the VAWA violence/abuse or the fact you (or a household member) are a victim, including the information on this form, strictly confidential. This information should be securely and separately kept from your other tenant files. This information can only be accessed by an employee/agent of your covered housing provider if (1) access is required for a specific reason, (2) your covered housing provider explicitly authorizes that person's access for that reason, **and** (3) the authorization complies with applicable law. This information will not be given to anyone else or put in a database shared with anyone else, unless your covered housing provider (1) gets your written permission to do so for a limited time, (2) is required to do so as part of an eviction or termination hearing, **or** (3) is required to do so by law.

In addition, your covered housing provider must keep your address strictly confidential to ensure that it is not disclosed to a person who committed or threatened to commit VAWA violence/abuse against you (or a household member).

What if I require this information in a language other than English? To read this in Spanish or another language, please contact Big Language Solutions 1-800-752-6096; FOR HOPWA PROVIDERS — LIV WELL 1733 BROADWAY PADUCAH KY 42003 270-444-8131 or go to [HTTP://WWW.HUD.GOV/PROGRAMS](http://www.hud.gov/programs). You can read translated VAWA forms at https://www.hud.gov/program_offices/administration/hudclips/forms/hud5a#4. If you speak or read in a language other than English, your covered housing provider must give you language assistance regarding your VAWA protections (for example, oral interpretation and/or written translation).

Can I request a reasonable accommodation? If you have a disability, your covered housing provider must provide reasonable accommodations to rules, policies, practices, or services that may be necessary to allow you to equally benefit from VAWA protections (for example, giving you more time to submit documents or assistance with filling out forms). You may request a reasonable accommodation at any time, even for the first time during an eviction. If a provider is denying a specific reasonable accommodation because it is not reasonable, your

covered housing provider must first engage in the interactive process with you to identify possible alternative accommodations. Your covered housing provider must also ensure effective communication with individuals with disabilities.

Need further help? For additional information on VAWA and to find help in your area, visit <https://www.hud.gov/vawa>. To speak with a housing advocate, contact

TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

- 1. Name(s) of victim(s): _____
- 2. Your name (if different from victim's): _____
- 3. Name(s) of other member(s) of the household: _____

4. Name of the perpetrator (if known and can be safely disclosed): _____

5. What is the safest and most secure way to contact you? (You may choose more than one.)

If any contact information changes or is no longer a safe contact method, notify your covered housing provider.

Phone Phone Number: _____

Safe to receive a voicemail: Yes No

E-mail E-mail Address: _____

Safe to receive an email: Yes No

Mail Mailing Address: _____

Safe to receive mail from your housing provider: Yes No

Other Please List: _____

6. Anything else your housing provider should know to safely communicate with you?

Applicable definitions of domestic violence, dating violence, sexual assault, or stalking:

Domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who lives with or has lived with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Spouse or intimate partner of the victim includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.

Dating violence means violence committed by a person:

- (1) Who is or has been in a social relationship of a romantic or intimate nature with the victim; **and**
- (2) Where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) The length of the relationship; (ii) The type of relationship; and (iii) The frequency of interaction between the persons involved in the relationship.

Sexual assault means any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

Stalking means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

- (1) Fear for the person's individual safety or the safety of others **or**
- (2) Suffer substantial emotional distress.

Certification of Applicant or Tenant: By signing below, I am certifying that the information provided on this form is true and correct to the best of my knowledge and recollection, and that one or more members of my household is or has been a victim of domestic violence, dating violence, sexual assault, or stalking as described in the applicable definitions above.

Signature

Date

Public Reporting Burden for this collection of information is estimated to average 20 minutes per response. This includes the time for collecting, reviewing, and reporting. Comments concerning the accuracy of this burden estimate and any suggestions for reducing this burden can be sent to the Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street, SW, Washington, DC 20410. Housing providers in programs covered by VAWA may request certification that the applicant or tenant is a victim of VAWA violence/abuse. A Federal agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.



FY 2025 INCOME LIMITS DOCUMENTATION SYSTEM

[HUD.gov HUD User Home Data Sets Fair Market Rents Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2025 Income Limits Summary

FY 2025 Income Limit Area	Median Family Income Click for More Detail	FY 2025 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
McCracken County, KY HUD Metro FMR Area	\$90,200	Very Low (50%) Income Limits (\$) Click for More Detail	31,600	36,100	40,600	45,100	48,750	52,350	55,950	59,550
		Extremely Low Income Limits (\$)* Click for More Detail	18,950	21,650	26,650	32,150	37,650	43,150	48,650	54,150
		Low (80%) Income Limits (\$) Click for More Detail	50,550	57,750	64,950	72,150	77,950	83,700	89,500	95,250

NOTE: McCracken County is part of the **McCracken County, KY HUD Metro FMR Area**, so all information presented here applies to all of the McCracken County, KY HUD Metro FMR Area. HUD generally uses the Office of Management and Budget (OMB) area definitions in the calculation of income limit program parameters. However, to ensure that program parameters do not vary significantly due to area definition changes, HUD has used custom geographic definitions for the McCracken County, KY HUD Metro FMR Area.

The **McCracken County, KY HUD Metro FMR Area** contains the following areas: McCracken County, KY;

* The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 percent) of the Section 8 very low-income limit or the poverty guideline as established by the Department of Health and Human Services (HHS), provided that this amount is not greater than the Section 8 50% very low-income limit. Consequently, the extremely low income limits may equal the very low (50%) income limits.

For last year's Median Family Income and Income Limits, please see here:

[FY2024 Median Family Income and Income Limits for McCracken County, KY HUD Metro FMR Area](#)

Select a different county or county equivalent in Kentucky:

- Magoffin County
- Marion County
- Marshall County
- Martin County
- Mason County
- McCracken County

Select county or county equivalent

Select any FY2025 HUD Metropolitan FMR Area's Income Limits:

- McCracken County, KY HUD Metro FMR Area
- Select HMFA Income Limits Area

Or press below to start over and select a different state:

Select a new state

Prepared by the Program Parameters and Research Division, HUD.



FY 2026 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2026 McCracken County, KY HUD Metro FMR Area FMRS for All Bedroom Sizes

Final FY 2026 & Final FY 2025 FMRS By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2026 FMR	\$729	\$851	\$1,058	\$1,269	\$1,775
FY 2025 FMR	\$693	\$781	\$1,011	\$1,218	\$1,698

McCracken County, KY is part of the McCracken County, KY HUD Metro FMR Area, which consists of the following counties: McCracken County, KY. All information here applies to the entirety of the McCracken County, KY HUD Metro FMR Area.

Fair Market Rent Calculation Methodology

[Show/Hide Methodology Narrative](#)

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. **Calculate the Base Rent:** HUD uses 2019-2023 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area as the new basis for FY2026, provided the estimate is statistically reliable. For FY2026, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2019-2023 5-year estimate, HUD checks whether the area has had at least 2 minimally reliable estimates in the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2026 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, HUD uses the estimate for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area as the basis for FY2026.

2. **Calculate the Basis for Recent Mover Adjustment Factor:** HUD calculates a recent mover adjustment factor by comparing an ACS 2023 1-year 40th percentile recent mover 2-bedroom rent to the ACS 2019-2023 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.

HUD first examines recent movers who have moved within the current year of the ACS survey. If there is no reliable local area estimate, HUD then examines those who have moved into their residence within the current year or preceding year of the ACS survey. Upon determining a reliable recent mover estimate, HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data.

3. **Adjust for Inflation:** In order to calculate rents that are "as of" 2024, HUD applies a gross rent inflation adjustment factor using data from commercial rent data sources and the Consumer Price Index. HUD uses a local measure of private rent inflation for markets that are covered by at least three of the six available sources of private rent data. HUD combines this local measure of rent inflation with either the local metropolitan area CPI rent of primary residence for the 23 areas where such data exist, or the regional CPI rent in areas without a local index.

For areas without at least three of the six private rent data sources available, HUD uses a regional average of private rent inflation factors alongside the regional CPI rent of primary residence. HUD constructs the regional average by taking the rental unit weighted average of the change in rents of each area in a region that does have private rent data coverage. HUD averages the private and CPI shelter rent data with the year-to-year change in the CPI housing fuels and utilities index for the area in order to make the resulting inflation measure reflective of gross rents.

The private and CPI gross rent update factors are then combined using a weighting scheme which controls the national weighted average of the private and CPI gross rent factors to the national change in the ACS recent mover gross rent. The resulting weights assigned are as follows: $W_{2024} = 0.643$ assigned to the private gross rent factor and $(1 - W_{2024}) = 0.357$ assigned to the CPI gross rent factor.

4. **Calculate the Trend Factor:** To further inflate rents from CY2024 to FY2026, HUD uses a "trend factor" based on the forecast of CPI gross rent changes through FY2026.

5. **Multiply the Factors:** HUD multiplies the base rent by the recent mover factor, the gross rent inflation factor, and the trend factor to produce a rent that is "as of" the current fiscal year.
6. **Compare to the State minimum:** FY2026 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.
7. **Calculate Bedroom Ratios:** HUD calculates "bedroom ratios" and multiplies these by the two-bedroom rent to produce preliminary FMRs for unit sizes other than two bedrooms.
8. **Compare to Last Year's FMR:** FY2026 FMRs may not be less than 90% of FY2025 FMRs. Therefore, HUD applies "floors" based on the prior year's FMRs.

The results of the Fair Market Rent Step-by-Step Process

1. Base Rent Calculation

The following are the 2023 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimates and margins of error for McCracken County, KY HUD Metro FMR Area.

	ACS ₂₀₂₃ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS ₂₀₂₃ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result
McCracken County, KY HUD Metro FMR Area	\$845	\$28	\$28 / \$845 = 0.03314	6	0.03314 < .5 6 ≥ 4 Use ACS ₂₀₂₃ 5-Year McCracken County, KY HUD Metro FMR Area 2-Bedroom Adjusted Standard Quality Gross Rent

Since the ACS₂₀₂₃ Margin of Error Ratio is less than .5, HUD uses the ACS₂₀₂₃ McCracken County, KY HUD Metro FMR Area value for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent (Base Rent).

Area	FY2026 Base Rent
McCracken County, KY HUD Metro FMR Area	\$845

2. Recent Mover Adjustment Factor Calculation

A recent mover adjustment factor is applied based on the smallest area of geography containing McCracken County, KY HUD Metro FMR Area that has an ACS₂₀₂₃ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and a sufficient number of sample cases.

Area	ACS ₂₀₂₃ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₂₃ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
McCracken County, KY HUD Metro FMR Area – ACS 1-year recent mover 2 Bedroom	N/A	N/A	N/A	1	No ACS ₂₀₂₃ 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For McCracken County, KY HUD Metro FMR Area
McCracken County, KY HUD Metro FMR Area – ACS 1-year recent mover All Bedroom	N/A	N/A	N/A	1	No ACS ₂₀₂₃ 1-Year All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For McCracken County, KY HUD Metro FMR Area
McCracken County, KY HUD Metro FMR Area – ACS 2-year recent mover 2 Bedroom	N/A	N/A	N/A	1	No ACS ₂₀₂₃ 1-Year 2 Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For McCracken County, KY HUD Metro FMR Area
McCracken County, KY HUD Metro FMR Area –	N/A	N/A	N/A	1	No ACS ₂₀₂₃ 1-Year All Bedroom Adjusted Standard Quality

Area	ACS2023 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS2023 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
ACS 2-year recent mover All Bedroom					Recent-Mover Gross Rent Produced For McCracken County, KY HUD Metro FMR Area
Paducah, KY-IL – ACS 1-year recent mover 2 Bedroom	N/A	N/A	N/A	1	No ACS2023 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For Paducah, KY-IL 1 < 4
Paducah, KY-IL – ACS 1-year recent mover All Bedroom	\$1,096	\$245	0.224	1	Do Not Use ACS2023 1-Year Paducah, KY-IL All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent 1 < 4
Paducah, KY-IL – ACS 2-year recent mover 2 Bedroom	\$885	\$188	0.212	1	Do Not Use ACS2023 1-Year Paducah, KY-IL 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent 1 < 4
Paducah, KY-IL – ACS 2-year recent mover All Bedroom	\$974	\$212	0.218	1	Do Not Use ACS2023 1-Year Paducah, KY-IL All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent 1 < 4

Area	ACS ₂₀₂₃ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₂₃ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Kentucky Metropolitan Portion – 2 Bedroom	\$1,100	\$40	0.036	6	Use ACS ₂₀₂₃ 1-Year Metropolitan Portion 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent
					0.036 < .5 6 ≥ 4

The calculation of the relevant Recent-Mover Adjustment Factor for McCracken County, KY HUD Metro FMR Area is as follows:

ACS ₂₀₂₃ 5-Year Area	ACS ₂₀₂₃ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS ₂₀₂₃ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
Kentucky Metropolitan Portion – 2 Bedroom	\$963	\$1,100

Area	Ratio	Recent-Mover Adjustment Factor
McCracken County, KY HUD Metro FMR Area	\$1,100 / \$963 = 1.142	1.1423 ≥ 1.0 Use calculated Recent-Mover Adjustment Factor of 1.1423

3. Inflation Adjustment Factor Calculation

A gross rent inflation adjustment factor is applied based on a weighted average of a private source gross rent inflation factor and a Consumer Price Index gross rent inflation factor. Since McCracken County, KY HUD Metro FMR Area is not covered by at least 3 private data sources, a region-based private rent factor is applied. Furthermore, since McCracken County, KY HUD Metro FMR Area is not covered by a local-CPI rent area, a Region-based CPI gross rent factor is applied.

Components of 2024 Inflation Adjustment Factor for McCracken County, KY HUD Metro FMR Area

	R₂₀₂₄ = Shelter Rent Change, 2023 to 2024	U₂₀₂₄ = CPI Annual Utilities Change, 2023 to 2024	C₂₀₂₄ = ACS Utility Cost as a Percent of Gross Rent	Gross Rent Inflation Factor Calculation = (R₂₀₂₄ x (1-C₂₀₂₄) + U₂₀₂₄ x C₂₀₂₄)	Inflation Factor Type
P₂₀₂₄ = Private Inflation Factor	1.01592	1.03068	0.14634	(1.01592 * 0.85366) + (1.030684 * 0.1463) = 1.01808	Region
CPI₂₀₂₄ = CPI Inflation Factor	1.05782	1.03068	0.14634	(1.05782 * 0.8537) + (1.03068 * 0.1463) = 1.05385	Region

The 2024 Gross Rent Inflation Factor for McCracken County, KY HUD Metro FMR Area is computed as follows:

$$= \text{CPI}_{2024} \times (1 - \text{W}_{2024}) + \text{P}_{2024} \times \text{W}_{2024}$$

$$= (1.05385 \times 0.356965956) + (1.01808 \times 0.643034044)$$

$$= (0.376189) + (0.65466)$$

$$= \mathbf{1.03085}$$

4. Trend Factor Adjustment

The calculation of the Trend Factor is as follows: HUD forecasts the change in gross rents from 2024 to 2026 for each CPI area and Census Region. This makes Fair Market Rents "as of" FY2026.

Trend Factor	Trend Factor Type
1.06308	Region

5. Combination of Factors

The FY 2026 2-Bedroom Fair Market Rent for McCracken County, KY HUD Metro FMR Area is calculated as follows:

Area	Base Rent	Recent-Mover Adjustment Factor	Annual 2023 to 2024 Gross Rent Inflation Adjustment	Trending 2024 to FY2026	FY 2026 2-Bedroom FMR
McCracken County, KY HUD Metro FMR Area	\$845	* 1.1423	* 1.03085	1.06308 =	\$1,058

6. State Minimum Comparison

In keeping with HUD policy, the preliminary FY 2026 FMR is checked to ensure that it does not fall below the state minimum.

Area	Preliminary FY2026 2-Bedroom FMR	FY 2026 Kentucky State Minimum	Final FY2026 2-Bedroom FMR
McCracken County, KY HUD Metro FMR Area	\$1,058	\$866	\$1,058 ≥ \$866 Use McCracken County, KY HUD Metro FMR Area FMR of \$1,058

7. Bedroom Ratios Application

Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2026 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2026 FMR	\$729	\$851	\$1,058	\$1,269	\$1,775

8. Comparison to Previous Year

The FY2026 FMRs for each bedroom size must not be below 90% of the FY2025 FMRs.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2025 FMR	\$693	\$781	\$1,011	\$1,218	\$1,698
FY2025 floor	\$624	\$703	\$910	\$1,097	\$1,529
FY 2026 FMR	\$729	\$851	\$1,058	\$1,269	\$1,775
Use FY2025 floor for FY2026?	No	No	No	No	No

Final FY2026 Rents for All Bedroom Sizes for McCracken County, KY HUD Metro FMR Area

Final FY 2026 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2026 FMR	\$729	\$851	\$1,058	\$1,269	\$1,775

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page: http://www.huduser.gov/portal/datasets/fmr/fmrs/FY2026_code/2026summary.odn?&year=2026&fmttype=Final&selection_type=county&fips=2114599999

Other HUD Metro FMR Areas in the Same MSA

Select another Final FY 2026 HUD Metro FMR Area that is a part of the Paducah, KY-IL:

Ballard County, KY HUD Metro FMR Area

Select a different area

Press below to select a different county within the same state (same primary state for metropolitan areas):

Press below to select a different state:

Select a Final FY 2026 Metropolitan FMR Area:

- Adair County, KY
- Allen County, KY
- Anderson County, KY
- Ballard County, KY
- Barren County, KY

Select a new county

McCracken County, KY HUD Metro FMR Area
Select Metropolitan FMR Area

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[Tax Subsidy Project \(MTSP\)](#) | [Income Limits](#) | [HUD LIHTC Database](#)

Prepared by the [Program Parameters and Research Division](#), HUD. Technical problems or questions? [Contact Us](#).