

TO: Board of Commissioners

FROM: Graeme Atkey, Section 8 Program Director

DATE: April 21, 2014

RE: Resolution No. 5464: Authorizing Revisions to the Section 8 Live-in

Aide Policy

Resolution No. 5464 authorizes KCHA to implement three minor changes to the Live-in Aide policy for both the Section 8 Project-based and Tenant-based programs. These changes were made in consultation with both the Office of Civil Rights and local legal service agencies.

The first change was mandated by HUD notice 2008-20, requiring the live-in aide to be named prior to the housing contract being signed. The previous rule only required the family to provide documentation showing an aide was needed, without asking for a specific name. Unfortunately, this resulted in extra bedrooms being granted without ever being filled by a live-in aide. The requirement for a specific person is intended to eliminate this problem.

The second change relates to participants who have a live-in aide move out of their unit. It is quite common for live-in aides to change numerous times, and when they do change, there is often times a significant period where no live-in aide is living in the unit. To ensure KCHA does not continue to pay subsidy on units larger than needed, the requested policy change will require tenants to report the removal of the live-in aide from the household. The family will be given up to 180 days to replace the live-in aide, with possible extensions due to unforeseen circumstances, before any voucher size change will be made.

The remaining changes are strictly administrative by consolidating live-in aide policies spread throughout the administrative plans into one Section: Exhibit B for the Tenant-based plan and Section 15 for the Project-based plan.

THE HOUSING AUTHORITY OF THE COUNTY OF KING RESOLUTION NO. 5464 AUTHORIZING REVISIONS TO THE SECTION 8 LIVE-IN AIDE POLICY

WHEREAS, the Housing Authority operates a Section 8 Housing Voucher program governed by a pair of Section 8 Administrative Plans; and

WHEREAS, within each plan there are sections describing our policies on the allowance of live-in aides; and

WHEREAS, from time to time these policies need to be revised to correct unforeseen circumstances, such as live-in aides leaving the unit; and

WHEREAS, HUD will also institute program changes requiring Housing Authorities to adopt them as part of their program;

NOW THEREFORE, BE IT RESOLVED, BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING:

The Housing Authority is authorized to revise its policies on allowance of live-in aides to require the Section 8 participant to name the live-in aide prior to signing a housing contract and to report when the current live-aide moves out and a new live-in aide moves in.

ADOPTED AT A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 21st DAY OF APRIL, 2014.

THE HOUSING AUTHORITY OF THE COUNTY OF KING WASHINGTON

Board of Commissioners

STEPHEN J. NORMAN

Secretary

accreditation standards of such an agency or association within a reasonable time; and

- 2. Institution of higher education also includes:
 - a. Any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation and that meets the provision of paragraphs (a), (b), (d), and (e) of subsection (1), above, and
 - b. A public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (1)(a) above, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

Interim (examination) Recertification. A reexamination of family income, expenses, and household composition conducted between the regular recertifications when a change in a household's circumstances warrants such a reexamination.

Jurisdiction. The area in which the HA has authority under State and local law to administer the Section 8 program.

Lease. A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the HA.

Lease Addendum. In the lease between the tenant and the owner, the lease language required by HUD (See Exhibit M).

Live-in Aide. A person who resides with one or more elderly persons, or near elderly persons, or persons with a disability, and who: (1) is determined to be essential to the care and well-being of the person; (2) is not obligated for the support of the person; and would not be living in the unit except to provide the necessary supportive services. (See Exhibit G.M.7. Section 3.D.1.b.)

Local Preference. A preference for admission as described in Section 5 of the Administrative Plan.

Low-income Family. A Family whose Annual Income does not exceed 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families.

Medical Deduction.¹³ The amount allowed under KCHA's EASY Rent program as a reduction from Annual Income when medical expenses (as defined) are incurred by a participating household. Households with income of

¹³ Approved under MTW 11/1/10

- a. Applicants shall not be placed on the waiting list where the Head of Household has not yet reached the age of 18 (the legal age to enter into and be held accountable for a lease under state law).
- b. A family that consists of one or more elderly, near elderly, or disabled persons may request a live in aide reside in the unit to provide necessary support services. The request must be approved by the Housing Authority as a reasonable accommodation to make the program accessible to and usable by a family member with a disability. However, the Housing Authority may refuse to approve a particular person as a live in aide, or withdraw such approval if:
 - i. The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
 - ii. The person-commits drug-related criminal activity or violent criminal activity or
 - iii. The person-currently owes rent or other amounts to the Housing Authority or another Housing Authority in connection with the Section 8 or public housing program.
- 2. Have Annual Income, at the time of application that does not exceed the low-income limits set by HUD (cannot exceed 80% of the median income for the area). (See Exhibit D)
 - a. Income Limits apply only at admission and are not applicable for continued occupancy.
 - b. An applicant who initially qualifies but whose income subsequently increases beyond the income limits prior to housing shall be denied admission.
- 3. Qualify as *Citizens* or as *Noncitizens* who have eligible immigration status (as defined in Section 2).
 - a. A family that consists of a single individual who does not contend to have citizenship or eligible immigration status is not eligible.
 - b. A family that includes two (2) or more individuals must include at least one household member who is a citizen or has eligible immigration status. The HA may not make assistance available to a family applying for assistance until at least the eligibility of one family member has been established by the submission of the required documentation (and then assistance must be prorated based on the number of individuals in the family for whom the required verification has been submitted).
 - c. Once the verification has been properly submitted, no family shall have their assistance delayed, denied, or reduced because of delays in verifying this information on the part of the USCIS.
 - d. Applicants denied assistance as a result of their immigration status will be informed of their right to request an appeal of the results of the USCIS verification to the USCIS or request an Informal Review with the Housing

Income and rent WILL NOT be adjusted to reflect increased income received by the household – except as outlined in Section F and G below.

- b. Families remain subject to regularly scheduled unit inspections.
- 2. Families who move while on the program will be required to fully recertify income and family composistion prior to being issued a new voucher. The two year recertification process will start over based on their new move-in date.

E. Effective Date of Rent Change Recertifications

The new rent will generally be effective upon the anniversary date with thirty (30) days notice of any rent increase to the family.

If the rent determination is delayed due to a reason beyond the control of the family, then any rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. (The family's recertification date will not change as a result of such a delay in implementation of the increased rent.) If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date.

If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined. (The family's annual review date will not change as a result of such a delay in implementation of the decreased rent.)

F. Interim Recertification Rules for EASY Rent and WIN Rent Households

- 1. **KCHA Required Interim Reviews:** An interim review will be required in the following situations:
 - a. Whenever the family seeks approval to add a member to the household. However, tenant rent will be changed only when:
 - For WIN Rent Households: The addition of the household member results in increasing household income above the current income band.
 - For EASY Rent Households: The addition of the household member results in an increase in household income of greater than \$2,000.
 - b. When a family removes or changes a live-in aide;
 - c. When a family is removed from the Earned Income Disregard;
 - d. Increases in income for a household that is currently paying the Minimum Rent or has a reported income of \$0. In such cases, interim reviews will be required until the household no longer qualifies for the minimum rent;
 - e. An increase in income following a reported decrease in income that results in a change in rent;
 - f. Discovery of Errors, misrepresentation and/or fraud.

3. Other business expenses, except expenses related to business expansion or capital improvements.

Count as income any withdrawals of cash or assets by the family from the business unless the withdrawal is for reimbursement of amounts the family invested in the business.

For those families wishing to operate a small business out of their residence, the following will apply:

- 1. Prior to beginning the business, the tenant must obtain:
 - a. the proper business licenses and permits from the city in which the unit is located; and
 - b. prior written approval from the landlord.
- 2. The tenant must provide the HA with quarterly statements of income until a pattern of income can be established. Accepted forms of verification include: Financial Statements or Tax records filed with the IRS.
- M. Income of Foster Children⁴

Income for care of foster children or foster adults is excluded.

N. Income of a Live-in Aide

Income received by a live-in aide is excluded and no deduction is allowed. While a relative is not prohibited from serving as a live-in aide (and thus, having their income excluded), they must prove that:

- 1. They are essential to the care and well-being of the family member (for a person with disabilities or a person who is at least 50 years of age) and not obligated for their support; and
- 2. They must be one who would not be living in the unit except to provide the necessary supportive services.

O. Student Financial Assistance

Student financial assistance paid directly to the student or to the educational institutions shall not be counted as income.

⁴ Approved under MTW 11/1/10

M. SPECIFIC REASONABLE ACCOMMODATIONS

Listed below is a non-exclusive list of requests where the HA has determined there may be reason to grant an accommodation to make the program accessible to and usable by a family member with a disability provided proper documentation is received. Reasonable accommodation may be granted in cases where:

- 1. The applicant family fails to respond to the check-in letter because of the family members disability and their application is canceled from the waiting list. If the family can show how the disability prevented them from checking in, the application will be reinstated in its former position on the waiting list.
- 2. The family requests an additional bedroom to accommodate a member of the family or a person associated with that household who has a physical or mental disability
- 3. The family requests the term of their voucher be extended. If a person with a disability is unable to locate a unit within the maximum 120 day time limit and requests a reasonable accommodation to extend the term of the voucher prior to the expiration date, the HA will review such request and, at its sole discretion, will make a decision on whether further extension is warranted.
- 4. The family requests to rent a unit owned by the parent, child, grandparent, grandchild, sister, or brother of any member of their family. The request must state why the unit is the only unit that will meet the needs of the disabled family member. Normally, a Section 8 family cannot rent a unit owned by one of the above.
- 5. The family requests an exception to the Payment Standard. For families attempting to remain in place at the time of annual review or a rent increase, required documentation will consist of a request by the family stating their desire to remain in the unit. For families moving from one unit to another with Section 8 assistance or for those housing up for the first time on the program, the request **must** come from a health care provider and clearly state why the proposed unit is necessary. This accommodation will not be granted if a relative owns the unit.¹
- 6. The family requests a utility allowance which is higher than the applicable amount on the UA schedule, provided documentation is presented to show why an increase is needed. This increased amount will be determined by taking the families most recent three month average of actual utility bill amounts rather than the HA utility allowance. In no case will the UA be less than that on the approved HA schedules.
- 7. The family requests a live-in aide
 - a. reside in their unit to provide necessary support services. A family that consists of one or more elderly, near-elderly, or disabled persons may request a live-in aide reside in the unit to provide necessary support services. The request must be

¹ Approved under MTW 3/7/2007

- approved by the HA to make the program accessible to and usable by a family member with a disability.
- b. The HA may refuse to approve a particular person as a live-in aide, or withdraw such approval if:
 - The person commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program;
 - The person commits drug-related criminal activity or violent criminal activity;
 or
 - The person currently owes rent or other amounts to the HA or another HA in connection with the Section 8 or Public Housing program.
- c. While a relative is not prohibited from serving as a live-in aide (and thus, having their income excluded), they must prove that:
 - They are essential to the care and well-being of the family member (for a
 person with disabilities or a person who is at least 55 years of age) and not
 obligated for their support; and
 - They must be one who would not be living in the unit except to provide the necessary supportive services.
- d. The identity (name) of the live-in aide must be presented to the HA prior to execution of the Section 8 lease and contract.
- e. Occasional, intermittent, multiple or rotating care givers do not reside in the unit and would not qualify as living in the unit. Therefore, an additional bedroom will not be approved under these circumstances (HUD Notice 2009-22).

Removal of a live-in aide from the unit must be reported to the HA within 30 days of its occurrence. The family will be given 180 days from the date the live-in aide left the unit to move-in a replacement. Time limit extensions may be granted on a case-by-case basis through the reasonable accommodation process. A family failing to move-in a replacement live-in aide by the end of the 180 days (or extension) will have their voucher size reduced to the appropriate size for the remaining family members.

- 8. The family requests to move to the jurisdiction of another HA prior to being eligible to move. Generally, a family attempting to port from one HA to another must have lived in the initial HA jurisdiction at the time of application or been living in the initial HA jurisdiction for at least 12 months under Section 8 contract before being allowed to transfer. While the above may be granted by the HA, it is subject to review by the receiving HA prior to the transfer being approved and does not apply to families participating on the Family Self-Sufficiency Program.
- 9. The family requests to terminate their lease prior to the end of the initial term and the owner agrees. Generally, a family and owner shall not be allowed to mutually terminate the lease during the first year of the lease and the family shall be restricted to no more than one move during any one year period.

such an agency or association that has been recognized by the Secretary for the granting of preaccreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time; and

- 2. Institution of higher education also includes:
 - a. Any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation and that meets the provision of paragraphs (a), (b), (d), and (e) of subsection (1), above, and
 - b. A public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (1)(a) above, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

Interim (examination) Recertification: A reexamination of family income, expenses, and household composition conducted between the regular recertifications when a change in a household's circumstances warrants such a reexamination.

King County Housing Authority (KCHA) Managed Properties. Properties managed by KCHA's Property Management department.

Lease: A written agreement between an Owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a Family with housing assistance payments under a HAP Contract between the Owner and the HA.

Lease Addendum: In the lease between the tenant and the Owner, the lease language required by HUD.

Live-in Aide: A person who resides with one or more elderly persons, or near elderly persons, or persons with a disability, and who: (1) is determined to be essential to the care and well-being of the person; (2) is not obligated for the support of the person; and would not be living in the unit except to provide the necessary supportive services. (See Exhibit G.M.7.)

Local Preference: A preference for admission as described in <u>Section 13</u> of the Administrative Plan.

Low-income Family: A Family whose Annual Income does not exceed 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families.

4. Is a person with disabilities and was receiving Section 8 assistance as of November 30, 2005.

If the student does not meet any of the second set of criteria, then there is a two-part test that must be met in order for the student to be eligible for Section 8 assistance:

- 1. The student must be eligible for Section 8 assistance; AND
- 2. The student's parents, individually or jointly, must be eligible for Section 8 assistance; UNLESS the student can demonstrate his or her independence from their parents. (Parents eligibility only refers to "income" eligibility. Verification need only consist of a self-declaration by the parents unless the HA believes the information to be untrue.)

If a student is attempting to prove their independence from their parents, the following criteria should be considered:

- 1. The student must be of legal contract age under State Law (age 18 or over);
- 2. The student must have established a household separate from their parent(s) or legal guardian(s) for at least one year prior to application for Section 8 assistance or the individual meets the U.S. Department of Education's definition of an independent student (See Section 2);
- 3. The student must not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations;
- 4. The student must obtain a certification of the amount of financial assistance that will be provided by the parents or legal guardian, signed by the individual providing support. Certification will still be required even if no financial assistance is being provided.

Any Family containing a student who is ineligible to receive assistance will not be eligible to receive assistance as long as that family member remains in the unit.

C. LIVE-IN AIDES

A Family that consists of one or more elderly, near elderly, or disabled persons may request a live-in aide reside in the unit to provide necessary support services. The request must be approved by the Housing Authority as a reasonable accommodation to make the program accessible to and usable by a family member with a disability. However, the Housing Authority may refuse to approve a particular person as a live-in aide, or withdraw such approval if:

1. The person commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program;

- 2. The person-commits drug-related-criminal activity or violent criminal activity; or
- The person currently owes rent or other amounts to the Housing Authority or another Housing Authority in connection with the Section 8 or Public Housing program.

D. KCHA OPTION TO PROVIDE INFORMATION TO OWNERS ABOUT APPLICANT HOUSEHOLDS

The HA will give the Owner the household's current and prior address as shown in KCHA's records (if known) and the name and address of the landlord at the Family's current and any prior address. KCHA may also share information regarding income verifications and eligibility with Owners. KCHA will give the Family a description of its policy on providing information to Owners. KCHA will provide the same types of information to all Owners.

E. OWNER-DETERMINED TENANT SELECTION CRITERIA 59

Project Owners may establish additional eligibility criteria and written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to perform the lease obligations. The Owner's screening may include income eligibility in order to comply with other regulatory set-asides such as in the Low Income Housing Tax Credit Program. The Owner's tenant selection plan and criteria will be reviewed by KCHA in the Owners Application. The Owner is responsible for ensuring that their eligibility criteria meet all Federal Fair Housing and Civil Rights laws.

- 1. During the term of the HAP contract, the Owner must lease Contract Units only to eligible families selected in accordance with KCHA policies.
- 2. An Owner must promptly notify KCHA in writing of any rejected applicant and the grounds for any rejection.
- 3. The Owner must ensure that the Contract Unit leased to each Family is appropriate for the size of the Family under KCHA's subsidy standards. At the time of <u>full</u>

 <u>Recertification or update</u>, the family will be notified in writing by KCHA if the unit size does not meet subsidy standards. The family will be required to transfer to the appropriate bedroom size at or near another contracted property when a unit becomes available <u>or may choose to remain in the larger unit and pay the difference in rent</u>. KCHA will work in conjunction with the owner to <u>resolve the occupancy issue</u> (See Exhibit P of the ACOP for KCHA managed Properties).

3/18/2014

⁵⁹ Approved MTW Policy Sections V.5 and V.19

- For WIN Rent Households: The addition of the household member results in increasing household income above the current income band;
- For EASY Rent Households: The addition of the household member results in an increase in household income of greater than \$2,000;
- b. When a family removes or changes a live-in aide;
- c. When a family is removed from the Earned Income Disregard;
- d. Increases in income for a household that is currently paying the Minimum Rent, on a minimum rent waiver or has a reported income of \$0. In such cases, interim reviews will be required until the household no longer qualifies for the minimum rent;
- e. An increase in income following a reported decrease in income that results in a change in rent;
- f. Discovery of Errors, misrepresentation and/or fraud.

Increases in household income that are not the result of one of the actions listed above will not be included in the rent calculation until the next full recertification for a household.

- 2. **Tenant Requested Interim Reviews:** Upon request, KCHA will complete an interim review under the following circumstances:
 - a. For WIN Rent Households:
 - A Household composition change resulting in a decrease in income below the current income band;
 - ii. A decrease in income that results in a drop in income below the current income band;
 - iii. Increase in unreimbursed childcare expenses greater than \$2,000 when total childcare expenses exceed \$2,500 (available only to households eligible to claim a reduction in gross income for childcare expenses);
 - iv. Increase in unreimbursed medical expenses greater than \$2,000 when total medical expenses exceed \$2,500 (WIN Rent households must be granted an exception under KCHA's Hardship Policy in order to qualify for a deduction for medical expenses); or

Count as income any withdrawals of cash or assets by the family from the business unless the withdrawal is for reimbursement of amounts the family invested in the business.

For those families wishing to operate a small business out of their residence, the following will apply:

- 1. Prior to beginning the business, the tenant must obtain:
 - a. the proper business licenses and permits from the city in which the unit is located; and
 - b. prior written approval from the landlord.
- 2. The tenant must provide the HA with quarterly statements of income until a pattern of income can be established. Accepted forms of verification include: Financial Statements or Tax records filed with the IRS.

M. Income of Foster Children 101

Income for care of foster children or foster adults is excluded.

N. Income of a Live-in Aide

Income received by a live-in aide is excluded and no deduction is allowed. While a relative is not prohibited from serving as a live-in aide (and thus, having their income excluded), they must prove that:

- 1. They are essential to the care and well-being of the family member (for a person with disabilities or a person who is at least 50 years of age) and not obligated for their support; and
- 2. They must be one who would not be living in the unit except to provide the necessary supportive services.

O. Student Financial Assistance

Student financial assistance paid directly to the student or to the educational institutions shall not be counted as income.

P. Resident Stipend

A resident stipend is an amount received by a resident for performing a service for the owner (HA) on a part-time basis that enhances the quality of life in the development. Such

¹⁰¹ Approved under MTW 11/1/10

and/or administrative burden. The HA may, however, require additional documentation that the person needs the requested accommodation and that it is likely to be effective.

L. REVIEW AND/OR DISCONTINUANCE OF REASONABLE ACCOMMODATION

KCHA will not unilaterally change or discontinue a particular method of providing a reasonable accommodation, without giving notice. A family may be required to reverify their need for a reasonable accommodation at the time of their annual review if there has been a change in family composition or any other change that would affect the need for the accommodation. Notice of change or discontinuation of a reasonable accommodation will be given to the participant with disabilities, including the participant's right to appeal the decision to change or discontinue the accommodation.

M. SPECIFIC REASONABLE ACCOMMODATIONS

Listed below is a non-exclusive list of requests where the HA has determined there may be reason to grant an accommodation to make the program accessible to and usable by a family member with a disability provided proper documentation is received. Reasonable accommodation may be granted in cases where:

- 1. The applicant family fails to respond to the check-in letter because of the family members disability and their application is canceled from the waiting list. If the family can show how the disability prevented them from checking in, the application will be reinstated in its former position on the waiting list.
- 2. An additional bedroom has been granted to accommodate a household member with a disability when the additional bedroom is documented to be medically necessary. KCHA will verify use of the extra bedroom for the documented purpose at each annual inspection.
- 3. The family requests an EAS amount which is higher than the applicable amount on the EAS schedule, provided documentation is presented to show why an increase is needed. This increased amount will be determined by taking the families most recent three month average of actual utility bill amounts rather than from the HA EAS schedule. In no case will the EAS be less than that on the approved EAS schedules.
- 4. The family requests a live-in aide reside in their unit to provide necessary support services.
 - a. A family that consists of one or more elderly, near-elderly, or disabled persons may request a live-in aide reside in the unit to provide necessary support services. The request must be approved by the HA to make the program accessible to and usable by a family member with a disability.

- b. The HA may refuse to approve a particular person as a live-in aide, or withdraw such approval if:
 - i. The person commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program;
 - ii. The person commits drug-related criminal activity or violent criminal activity; or
 - iii. The person currently owes rent or other amounts to the HA or another HA in connection with the Section 8 or Public Housing program.
- c. While a relative is not prohibited from serving as a live-in aide (and thus having their income excluded), they must prove that:
 - They are essential to the care and will-being of the family member (for a person with disabilities or a person who is at least 55 years of age) and not obligated for their support; and
 - They must be one who would not be living in the unit except to provide the necessary supportive services.
- d. The identity (name) of the live-in aide must be presented to the HA prior to execution of the lease.
- e. Occasional, intermittent, multiple or rotating care givers do not reside in the unit and would not qualify as living in the unit. Therefore, an additional bedroom will not be approved under these circumstances (HUD Notice 2009-22).

Removal of a live-in aide from the unit must be reported to the HA within 30 days of its occurrence. The family will be given 180 days from the date the live-in aide left the unit to move in a replacement. Time limit extensions may be granted on a case-by-case basis through the reasonable accommodation process. A family failing to move-in a replacement live-in aide by the end of 180 days (or extension) will have their voucher size reduced to the appropriate size for the remaining family members.

5. The family requests to terminate their lease prior to the end of the initial term and the owner agrees. Generally, a family and owner shall not be allowed to mutually terminate the lease during the first year of the lease and the family shall be restricted to no more than one move during any one year period.