



Project-Based Program



MANUAL

Contents

1. Introduction	2
2. Common terms.....	3
3. Basic Project-Based Workflow	4
4. Forms	5
A. Personal Declaration for Eligibility and Certification	5
B. Medical Expenses Deduction Worksheet.....	7
C. Third party verifications.....	8
5. Tenant Selection Plans & Waitlists.....	9
6. Application.....	9
A. Understanding eligibility	9
B. Application packet	10
C. Criminal background check.....	12
D. Third party verifications.....	12
E. Submission and timelines.....	12
7. New Move-In	13
A. New Move-In packet	14
B. Lease	15
C. Timelines.....	15
8. Annual Reviews and Annual Updates	16
A. Annual Review Packet	16
B. Triennial Reviews (Annual Updates)	16
C. Timelines.....	17
9. Interim Reviews (Special Reviews)	18
A. Reporting changes	18
B. Special Review Packet – Changes in income	18
C. Special Review to add household members	21
i. Adding minors	22
D. Timelines.....	22
10. Contract Rent Increases.....	23
11. Move outs.....	23
12. Transfers.....	24
13. Vacancy Loss.....	24
14. Contract Compliance.....	25
A. Management Plan	26
B. Waiting List Management/Tenant Selection Plan.....	26
C. Unit Occupancy/Utilization	26
D. Property/Unit Maintenance and Housing Quality Standards (HQS).....	27
E. Tenant Rent Collection.....	27
F. Lease Enforcement	28
G. Vacancy Payments	28
H. Resident File Management	28
15. Helpful Resources.....	29
APPENDIX A - INFORMAL HEARINGS	30

1. Introduction

Welcome to Seattle Housing Authority's (SHA) Project-Based Section 8 Program. SHA has one of the largest Project-Based Programs in the country and serve over 3,000 households in the City of Seattle. SHA's Project-Based Program helps support the agencies larger mission of enhancing the Seattle community by creating and sustaining decent, safe and affordable living environments that foster stability and increase self-sufficiency for people with low incomes.

Owners who participate are a vital component to this program and this manual is to help guide Owners through SHA's Project-Based Program's process, paperwork, workflow and policies. A good relationship between the Owners and SHA creates housing opportunities for low-income, homeless and other vulnerable populations. If you have a situation or question that is not covered in this manual, please don't hesitate to contact SHA staff for clarification.

One of the first questions you may have is what are the differences between our Tenant-Based Voucher Program and the Project-Based Program? The two programs operate in similar fashions in a number of areas but there are some significant differences.

The biggest distinction is that the subsidy in the Project-Based Program is contractually tied to the individual unit in your building and not to the tenant. In the Tenant-Based Program, a participant may use their voucher at a unit of their choice and move from unit to unit, with continued subsidy, when their lease is expired. In the Project-Based Program, the subsidy stays with the unit so if a participant wishes to move to another building they would not be able to take the subsidy with them.

In the Project-Based Program, SHA relies on Owners to work with the program participants to distribute the application, assist the applicant, as needed, with preparing the required paperwork and collecting the completed document. Owners will provide certain verifications of information before forwarding the application to be process by the staff that oversee the Project-Based Program. In this manual SHA will detail what is needed for the different processes. This will include a description of what forms are required and the timelines. SHA also offers monthly trainings for Owners and their staff, so if you have new employees you can give them this manual as well as send them to one of the trainings. Please refer to our web page at www.seattlehousing.org for times and dates of the next training.

The Project-Based Program Manual will cover:

- Common terms and forms
- The application process
- The New Move-in process
- Annual reviews and annual updates
- Interim (special) reviews

- Contract rent increases
- Move outs
- Transfers
- Vacancy loss

2. Common terms

There are several common terms that you should familiarize yourself with. These terms will be referred to throughout the manual and they're good to know when communicating with SHA.

- **Abatement of rent:** ceasing the housing assistance payment if an Owner has failed to make the necessary repairs for a unit that does not meet Housing Quality Standards (HQS).
- **Contract Rent:** total rent due to the Owner which includes both the tenant share and SHA subsidy.
- **HAP Contract:** housing assistance payments contract between SHA and the Owner which sets the terms under which Housing Assistance Payments will be made.
- **Housing Assistance Payment (HAP):** the portion of the contract rent payable to the Owner by SHA, contract rent minus tenant rent to Owner.
- **Housing Quality Standards (HQS):** the HUD minimum quality standards for dwelling units occupied by the tenant. This is the standard used by our inspectors.
- **HUD 50058:** document transmitted to HUD containing the household's certification information including composition, income, rent and HAP portions. SHA will provide a copy of the 50058 to the Owner for each certification processed.
- **Participant (Tenant):** the person(s) approved by SHA to reside in a contracted unit with assistance under the program rules.
- **SHA 581 Lease Amendment:** a written notification that informs the tenant and Owner of contract rent, tenant rent portion and HAP portion.
- **Tenant rent to Owner:** the portion of the rent due to the Owner directly from the participant.

- **Total Tenant Payment (TTP):** the amount the tenant pays toward rent and utilities (if applicable) that is equal to 30% of the participant's adjusted monthly income. This number is used in determining the tenant rent to Owner.
- **Utility Assistance Payment (UAP):** utility reimbursement payment to tenant. In some cases, a participant is at zero income and there is a utility estimate attached the unit, the housing authority will send a UAP to the participant each month.
- **Utility Estimate:** pre-determined estimate of utilities for the unit that the participant will have to pay – this is listed on the Exhibit A of your HAP contract.

3. Basic Project-Based Workflow

For nearly all of the processes described in the sections below, there is a basic workflow to follow. All processes start with an action between the participant household and the Owner. This could be the household coming to the top of the Owner-maintained waitlist, or perhaps the household is reporting a change in their income or composition.

The first step is to identify the situation and the appropriate form. Once the household and Owner have completed the appropriate SHA form(s) and gathered the proper documents, the Owner will verify the information if needed and then submit the packet and information to SHA. Once received, SHA will review the packet to determine if it is complete. If the packet is complete, SHA will process it. If it is not complete, SHA will return the packet to the Owner and ask the Owner to re-submit the packet when it is complete. It is very important to only submit completed packets to SHA. Unnecessary delays could impact the subsidy paid if the Owner caused the undue delay.

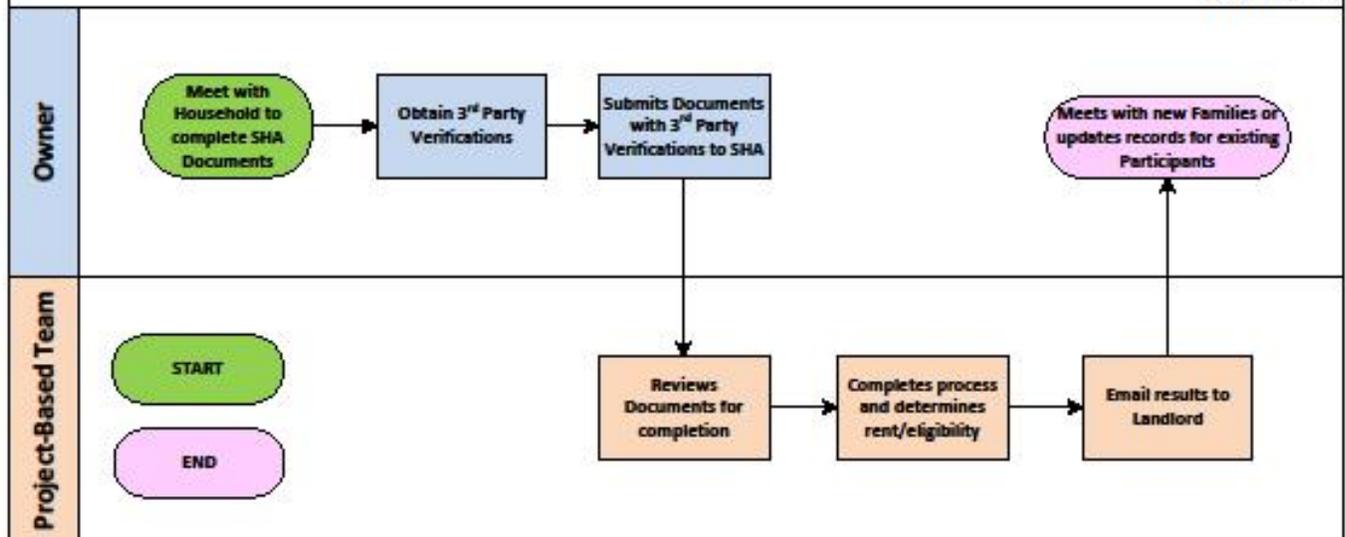
Once accepted as complete and the packet is processed, SHA sends the Owner and household an update on rent amounts for annual reviews and special reviews. In the case of an approved application, SHA will send the Owner an approval notification along with a report that details the estimated HAP and estimated amount the household will pay in rent each month.

If SHA receives a packet that is missing required documentation, or the forms are incomplete, it will delay the process because SHA will return the packet to Owner, unless SHA, at its discretion, agrees to hold the packet until it is complete. If SHA holds the packet until complete, SHA will notify the Owner of what is needed to complete the packet. The date the packet is complete is the date SHA considers it submitted for processing.

The basic flow is as follows:

Basic Project Based Program Workflow

As of 4/13/2018



4. Forms

All of the required forms for the Project-based Program are available online on SHA's web page at seattlehousing.org. From the main page, select the 'Housing' tab, then 'Collaborative Housing', 'Information for providers', and then 'Project-based Program'.

The forms are grouped both by individual forms and by process. These forms may be updated from time to time. Please pull the forms from the SHA website each time a form is needed so you are using the most updated version.

There are two (2) main (or primary) forms; the Personal Declaration for Eligibility and Certification; and Medical Expense Deduction Worksheet. These forms are used for multiple processes as discussed below. There are several other forms that will be discussed in later sections.

A. Personal Declaration for Eligibility and Certification

The Personal Declaration for Eligibility and Certification form is the most common form you will utilize in the Project-Based Program. Applicants are required to complete this form to determine eligibility to occupy the subsidized unit and for each Annual Review to re-certify the household's income and composition to determine their continuing eligibility to remain in the Project-Based Program.

The form is two pages and must be filled out completely and accurately. Any Personal Declaration form missing information or signatures will be returned for completion and may delay SHA's process. This includes the 'yes' and 'no' check boxes on both pages of the form. The applicant/participant must check the appropriate boxes to indicate that they have answered the question.

The first page of the form asks for general information about the head of household and any household members. Again, it must be filled out in its entirety and fields should not be left blank, even if they are not applicable the household must indicate this by responding "n/a" or similar.

An example of page one of the Personal Declaration is here below:



Project-based Program

Personal Declaration for Eligibility and Certification

Head of Household's Social Security number (last 4) 5 6 7 8

CONTACT INFO <small>(Head of household)</small>	Street address, P.O. Box, or shelter name 1313 Mockingbird Lane	City Seattle	State WA	ZIP Code 98107	Homeless at application? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Primary phone number (206) 789-9111	Other phone number	E-mail address	What language do you speak at home? english	Interpreter needed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

► HOUSEHOLD COMPOSITION AND INCOME List every person living with you at least 51% of the year. Live-in-Aides do not need to list income. (Attach a separate page if you need more space.)

Last, First, Middle initial	Relation To Head	Social Security number (last 4)	Sex (M/F)	Date of birth	Race (Black, White, Asian, Native American, etc.)	Hispanic?		Income: list all money received by each person in the household per month. If no income, write '0'.
						Yes	No	
Suzie Q. Smith	HEAD	(Entered above)	F	1/1/70	Black		X	Type: Job \$ 1,000 Type: \$
Diana Jackson-Smith	daughter	5555	F	1/1/91	Black		X	Type: \$ 0 Type: \$
Michael Jackson-Smith	son	5546	M	1/1/03	Black		X	Type: SSI \$ 236 Type: \$
								Type: \$ Type: \$
								Type: \$ Type: \$
								Type: \$ Type: \$

► OTHER HOUSEHOLD INFORMATION (If you need additional space, please attach a separate paper.)

<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Is anyone in your household disabled? If yes, please list their names: Michael Jackson-Smith
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Has anyone in your household served in the armed forces or is the spouse of someone who has served? If yes, please list their names:
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Does anyone outside your household pay for any of your bills or contribute to your household expenses on a regular basis? If yes, explain here and attach a statement from the person stating how often and the amount:
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Have you or has any member of your household ever been convicted of a crime (misdemeanors, felonies, etc.)? If yes, please explain:
Is there any other information you would like us to know about your household?	

► ACCOMMODATIONS If you answer yes, additional forms will be provided to you, including a verification form for your medical professional to complete and sign.

<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Is there anything that prevents your household from applying for housing, occupying your unit, and/or participating fully with the program?
---	---

Upon request, Seattle Housing Authority will provide reasonable accommodations to people with disabilities so they can participate in our programs. Rev. 8/15 Page 1 Continued →

The 'Race' and 'Income' fields need to be filled out for each household member. Even if Diana is not receiving any income a '0' or 'none' should be entered. Remember, incomplete fields on this form will require SHA to return the form for correction and slow down the process.

Page 2 of the Declaration will ask for more detailed information about the household's income sources, assets and other deductions. All 'yes' and 'no' boxes should be checked off and all adult members of the household need to sign and date the form at the bottom.

An example of page 2:

Page 2 Print head of household name Suzie Q. Smith

▶ CURRENT EMPLOYMENT INFORMATION (If you need additional space, please attach a separate paper.)
 Yes, someone in my household is employed. Complete the below information. No, no one in my household is employed.

Name of household member	Name of employer (or self-employed)	Employment start date	Employer's address	Employer's phone number	Employer's fax number
Suzie Q.	Starbucks	12/12/10	4th Ave. S	(206)582-1000	(206)582-1001

▶ BANK ACCOUNTS AND OTHER ASSETS List all assets held or owned by every person who will be part of this household. (If you need additional space, please attach a separate paper.)
 Yes, someone in my household has assets (e.g., bank accounts). No, no one in my household has assets.

Name of household member	Type of asset (checking, savings, IRA, house, etc.)	Current value	Interest rate	Name of bank or financial institution	Account number
Suzie Q.	Checking	\$ 300	0 %	CHASE	
		\$	%		

Yes No Have you cashed in an asset (such as a CD, for example) in the past 60 days? If yes, how much did you receive? \$

Yes No Have you sold an asset/property in the last two years? If yes, provide an explanation on a separate piece of paper.

▶ STUDENT INFORMATION List information only for household members who are 18 years old or older. You must report within 10 business days if enrollment falls below full time status.
 Yes, an adult in my household is a student. Complete the below information. No, no adult in my household is a student.

Name of household member	Name of school	Full time or part time?	List all financial aid received (grants, scholarships, etc.)
Diana Jackson-Smith	N. Seattle Community College	Full-time	Pell grants, loans

▶ DEDUCTIONS Do you have expenses that you pay out of pocket and anticipate to continue for the next 12 months? (If you need additional space, please attach a separate paper.)

Yes No Child Care Expenses for a child under 13: If yes, you must provide verification in order to receive a deduction.

Yes No Medical Expense: If yes, and your household is eligible to have medical expenses deducted from your income, complete a Medical Expenses Declaration form.

Yes No Disability Assistance Expense: Attendant care and auxiliary apparatus expenses for a disabled household member may be deductible if the expense is paid by the household to enable a household member to be employed. If yes, please explain:

▶ CERTIFICATION I understand all changes to my household composition, income, or other circumstances that occur after I complete this form must be reported in writing to Seattle Housing within ten (10) business days of the change. I understand my eligibility for housing depends on my household's full completion of this form as verified by Seattle Housing. I certify this information is true and accurate and acknowledge that falsifying or manipulating information may result in denial or termination from the Voucher program.

Suzie Q. Smith 2/26/18 _____
 Head of household signature Date Spouse or Co-head signature Date

Diana J. Smith 2/26/18 _____
 Signature of other household member (age 18+) Date Signature of other household member (age 18+) Date

For Seattle Housing Use Only	Background check <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> Cancelled	Supervisor or designee	Date
------------------------------	--	--	------------------------	------

B. Medical Expenses Deduction Worksheet

The Medical Expense worksheet is for households where the head of household or spouse (or co-head of household) is either 62-years-old or older, or disabled. If the household qualifies for this deduction, out-of-pocket medical expenses are deducted from their annual income (possibly

reducing their portion of the rent). Expenses that the household had to pay out of pocket after insurance deductibles can be counted. SHA allows eligible households to self-certify annual expenses that are under \$5,000.00.

A completed form looks like the following:

Head of Household: Suzie Q Last 4 SSN: 5678

How to submit expenses at Annual Review: List all your household's medical expenses paid in the past 12 months that were not paid by someone outside of your household on the chart below. Attach more paper if needed. Seattle Housing will review the chart to determine which expenses qualify for a medical deduction. You will not receive a deduction for expenses listed that are not considered qualifying medical expenses by Seattle Housing. If the chart is not completed then your expenses will not be deducted. Please do not submit documentation at this time. However, keep your documentation for at least one year in case of file review. If expenses are reported inaccurately or are unverifiable you may be responsible for any subsidy overpaid on your behalf.

***List expenses paid in the past 12 months only.** If you have questions, please contact your Certification Specialist.

HOUSEHOLD MEMBER	EXPENSE TYPE	PAYMENT(S) MADE TO	AMOUNT YOU PAID (circle how often)	DOCTOR / PRESCRIBER	SEA USE ONLY: USED?
Example:	Prescribed items (co-pays, etc.)	Pharmacy	\$ 45.00 Annually / <u>Monthly</u>	Dr. John Smith at Smith Clinic	Y / N
Michael	Prescribed items (co-pays, etc.)	Walgreen's	\$ 10 Annually / <u>Monthly</u>	Dr. King	Y / N
Michael	Office visits (co-pays, deductibles, etc.)	The Country Doctor	\$ 15 Annually / <u>Monthly</u>	Dr. Bob	Y / N
	Inpatient (deductibles, payment plans, etc.)		\$ Annually / Monthly		Y / N
	Miscellaneous (health insurance premiums, etc.)		\$ Annually / Monthly		Y / N
Michael	Other: Pool therapy	YMCA Gym	\$ 100 Annually / Monthly	Dr. Bob	Y / N
	Other:		\$ Annually / Monthly		Y / N
	Other:		\$ Annually / Monthly		Y / N
	Other:		\$ Annually / Monthly		Y / N

I declare the expenses I have listed are accurate. I understand that Seattle Housing may request documentation such as third party verification or pharmacy history to confirm the amounts declared. I understand that if the expenses are inaccurate or unverifiable I will be responsible for any subsidy overpaid on my behalf.

Suzie Q. Smith Print Head of Household Name Suzie Q. Smith Head of Household Signature 5/26/11 Date

Medical Expenses Declaration (Rev. 6/11)

If the household is eligible for the deduction and has out-of-pocket medical expenses they can list them on the Worksheet. This worksheet can be completed and included with a new application as well as an annual review. The household must submit the completed the form each year for continuing eligibility of this deduction.

If the household has expenses that total more than \$5000 annually they will need to complete the form and supply copies of receipts to verify their expenses.

C. Third party verifications

The Owner must obtain and submit completed third party verifications, on the form provided, for the participant and applicant households which are then submitted to SHA with the completed packet. Third party verification may include some or all of the following items:

- 60 days of the most recent, consecutive pay stubs
- Employment verifications directly from the employer
- Social Security award letter

- Benefit statements from the Veterans Administration and/or SSI
- Self-employment (use self-employment forms on SHA's web page)
- Veterans Administration benefit letter(s)
- Labor & Industries (L&I) payment letter
- Annuities or trusts statements

For existing employment income, the highest form of verification are paystubs and the building partner must make an attempt to obtain those. If you are verifying new employment or a recent change to current employment income, attempt to get verification directly from the employer.

Verifications must be current, within the past 60 days and must include all the pertinent information. For example, any income verification should include the employer's name, address, hours worked, pay rate, etc.

5. Tenant Selection Plans & Waitlists

Owners are required to maintain a tenant selection plan and maintain a waitlist for Project-Based units. These selection plans must adhere to the fair housing guidelines along with any applicable local city codes when selecting a household for a vacant Project-Based unit. However, there are a few exceptions to this rule. Some programs must fill vacancies through the King County Coordinated Entry for All (CEA) system. If a project intends, or is required, to use CEA or other social service agencies as a source of referrals that target a specific population the Owner must provide notice that the project has enrolled with CEA or advise SHA that Owner has an agreement with other area social service agencies to provide referrals. Other exceptions may include, but are not limited to, moving a qualified household to another unit or property if a Domestic Violence situation requires this action.

6. Application

Before a building partner can begin to receive Housing Assistance Payment for their applicant household, an application packet must be submitted and approved by SHA.

A. Understanding eligibility

Before beginning the application process it is vital that the Owner understands how to determine whether a household is eligible to participate and live in a Project-Based subsidized unit. Two

main factors include at least one (1) household member is an Eligible U.S. Citizen or is an Eligible Non-Citizen¹; and that the household's income is appropriate for the project. For most contracts a Project-Based applicant household must be under 30% of the area median income as established annually by HUD. Sound Families and Veterans Administration Supportive Housing (VASH) contracts allow eligibility up to 50% AMI or 80% AMI respectively and depending on other AMI restrictions a unit may have.

All applicants 18 and older must pass a criminal background check. The Project-Based program can accept applicants with most criminal histories other than those that are detailed in Chapter 5 of the SHA Administration Plan [found here](#). Families may not be accepted if they owe SHA or any other housing authority money and if they have left an SHA program in the last five years, must have left in good standing.

B. Application packet

When submitting an application packet for a household's occupancy in a Project-Based unit, be sure to review it for all necessary information before submitting a completed packet to SHA. Missing information or incomplete forms will result in the packet being returned to Owner to complete, or requiring the Owner to provide additional documents to SHA, at SHA's discretion. SHA will not consider a packet submitted until the packet is complete. This will slow down processing times and may cause delays in getting the otherwise qualified applicant household approved.

The application packet is found on the SHA web site at seattlehousing.org and includes the following forms:

Application Packet Checklist – This checklist needs to be completed and submitted with each application packet. The portion on the top should include the applicant's name, building name and unit. The checklist also details all the items that needed to be provided to SHA in order for the application to be considered complete.

Personal Declaration for Eligibility and Certification – As described earlier in this manual, the Personal Declaration must be filled out completely and signed by all adult members of the household.

Declaration of Citizenship Or Immigration Status – This form is used to list and verify each household member's citizenship or immigration status. The first page must be filled out by all adults in the household. The second page requires information for minors in the household and

¹ Only those members who are U.S. Citizens or eligible immigrants may receive benefits from the Housing Choice Voucher Program. Eligible immigrants are persons who are in one of the immigrant categories set forth in 42 U.S.C. Section 1436(a).

must be completed before the packet is forwarded to SHA. Please note any household members who identify as a non-citizen with a subsidy-eligible immigration status must include copies of further verification as listed on the form. All household members, even those who do not claim eligible immigration status, such as persons here on student or tourist visas must be lawfully in the U.S. to be part of any HUD funded household and should certify the same. Along with immigration documentation, eligible household members must have and be able to verify a social security number.

Eligible Immigration Status Verification Consent Form – This consent form gives SHA permission to verify a potential household member’s immigration status with the Department of Homeland Security. Each adult who identified as non-citizens must complete this form. Potential household members who are lawfully in the United States without eligible status may still qualify to live in the unit (by paying a percentage of the total rent to landlord).

General Release of Information – This form is a release that gives SHA permission to verify various income sources and other eligibility factors for the persons named on the form. Each applicant over the age of 18 must sign and date this form. Packets that do not have a completed form signed by each adult household members will be rejected by SHA as incomplete

Debts Owed to Public Housing Agencies and Terminations – This form alerts the applicants that if they are terminated from the program for cause or leave owing SHA money that it will be reported to HUD which may keep them from being eligible for other HUD housing programs. Each applicant, over the age of 18, is required to complete and sign the form. The form is individual to each household member and cannot be jointly signed. Packets that do not have one completed form for each adult household members will be rejected by SHA as incomplete.

Professional Certification of Disability – This form is voluntary. If completed, the form notifies SHA that a household member claims a disability and may be eligible for further rent relief. The information on the form must be verify through the Professional Certification of Disability that is completed by an individual licensed by the State of Washington in a discipline qualified to determine the existence of a disability or handicap. Please see the form for more information on how to complete this form

Copy of Original ID, SSN, and/or Immigration Documentation – This form is the Owner’s verification that Owner has seen original documents and that copies of the applicant household member’s Original documents were made by Owner from original documents. HUD requires that all applicants supply a valid photo ID², Social Security Card³ and if applicable, Immigration

² This is most commonly a state-issued ID such as a Washington State Driver's License. However, in some cases other photo ID from other entities may be acceptable. Contact SHA staff if you have questions.

³ Social Security card are the preferred method to verify SSN, however, SHA can accept an award letter from SSA that contains the full number as verification.

Documentation. SHA cannot accept copies of copies of these documents, per HUD mandate, unless the Owner certifies that he made the copies from the original.

Certification that unit has passed Housing Quality Standards (HQS) – This form certifies that the unit the applicant household seeks to occupy has been inspected by SHA within the past 12 months. All units must pass a Housing Quality Standard (HQS) inspection at the inception of the contract and each year thereafter. If a unit has been inspected within the past 12 months, no additional inspection needs to be performed by SHA when an approved household moves in. If an Owner has a vacant unit that has not passed an HQS inspection within the past 12 months, Owner shall schedule an inspection with SHA and have such inspection before submitting any applicant packets to SHA.

C. Criminal background check

Each adult household member (age 18 and over) must pass a criminal background check. SHA will run a criminal background check upon receipt of a complete application packet. SHA does not review credit or make a determination of rent-worthiness, but can deny assistance based on certain elements of the criminal background.

Any applicant who has been convicted of the manufacture or production of methamphetamine on the premises of federally assisted housing will not be approved for subsidy. Further, any applicant who is a registered sex-offender subject to a registration requirement, for the duration of that requirement, will not be approved.⁴

Further information on SHA's criminal history requirements can be found in the [HCV Administration Plan at seattlehousing.org](#).

D. Third party verifications

Along with the application forms, the Owner must also provide third party verifications for the household's income sources at application. As detailed in the previous section, all income sources including Social Security amounts, wages, child support, pensions, gifts, and any other income from any source must be reported and verified by Owner with verification included in the packet.

E. Submission and timelines

⁴ Owners may allow admission to convicted sex offenders who are Class B and Class C Felons subject to time-limited registration requirements, who do not, in the opinion of the Owner of the subsidized units, constitute a threat to other residents, the surrounding community, or to the public at large.(Board Resolution 4771, 3/21/05).

Owner is required to review and verify all forms and other necessary information is included in the packet before submittal to SHA's Housing Choice Voucher department. The preferred method of application submission is via pdf emailed to ProjectBasedApplications@SeattleHousing.org. **Do not email application packets directly to SHA staff.** If you are unable to email the packets, it can be faxed to SHA at 206-239-1770.

SHA attempts to review and approve (or deny) **complete applications** within five (5) business days of receipt. Within two (2) business days' of receipt of the packet, SHA staff will conduct a cursory review of the paperwork submitted. If there are missing forms or the submitted forms are incomplete, SHA will, at SHA's sole option, return the packet to Owner or notify the Owner via email, what needs to be done to correct the application.

Missing or incomplete forms will slow down the processing and the approval of an application so it is prudent for the Owner to double check the packet before submission.

Once the application has been approved the Owner will receive an approval email from SHA along with an Application Rent Worksheet that details the household's income calculation and indicates the household's portion of the rent.

In the event that SHA denies an application, the Owner will be copied on a letter sent to the applicant. The letter will state that the application for participation in the Project Based program has been denied and will detail the reason(s) for the denial. Households have ten (10) business days to either ask for an informal review if they feel the denial was done in error, or provide additional information to SHA in an attempt to overcome the denial.

If an appeal for an informal review is received by SHA in the timeframe detailed above, a review will be scheduled within ten (10) business days. The review may be conducted by a supervisory level staff person who was not involved in the decision under review, and who is not subordinate to the person who made the decision.

The applicant will be given the opportunity to present oral or written objections to the decision. Both SHA and the applicant may present evidence and witnesses. The applicant may, at the applicant's own expense, be represented by an attorney or other representative.

7. New Move-In

Once an application has been approved (and the unit is deemed to meet SHA's Housing Quality Standards (HQS)) the Owner may begin the move-in process. It's worth noting that **SHA cannot provide subsidy to Owner for any days the applicant resided in a unit prior to the approval of the application.**

When the Owner receives an approval email from SHA they should meet with the household to complete the SHA move-in forms detailed below. This is a good time to make sure the adult members of the household understand that they are participating in the Project-Based Program. The Owner should make it clear to participant households that participation in the Project-Based Program is different than the Tenant-Based Program and that they do not have a voucher they can utilize to move in the future.

The Owner must review the household's income at the time of move in to ensure that no changes to income sources or amounts have occurred since the application was approved. If there have been changes, they must be reported along with the proper verifications, with the move-in packet.

New Move-In packets are to be submitted by Owner to SHA within 10 days of the household's move-in date. If SHA does not have a completed move-in packet from Owner for an approved application within 60 days the application will be canceled and no HAP will be paid.

A. New Move-In packet

The move-in packet should be emailed to ProjectBasedApplications@seattlehousing.org. Or, if you are unable to email the packet, it can be faxed to 206-239-1770.

All forms for the New Move-In process are located on [SHA's web site](#) and includes the following forms:

1. *New Move-In Forms Packet Checklist*: This checklist needs to be completed and submitted with each Move-in packet. The portion on the top should include the applicant's name, building name and unit. The checklist also details all the items that needed to be provided to SHA in order for the packet to be considered complete.
2. *Statement of Household Responsibility*: This is a two-page form that details the rules and requirements of the participant household. On the first page, all household members need to be listed under the first item. Also, the full mailing address of the unit should be listed. The second page has a signature plate that both a building representative and the Head of Household will sign and date. Leave the spot for SHA Staff blank.
3. *Project-Based Initial Inspection Self-Certification*: This form, completed by Owner, certifies that the unit has been inspected by SHA in the past 12 months – or 24 months in the case of a biennial schedule – and currently meets HQS standards. If a unit has not passed inspection in the past 12 or 24 months alert SHA staff so an inspection can be scheduled.
4. *Tenancy Addendum*: This is a HUD required form that is an addendum to the lease between the Owner, or designee, and the household. This form must be included it with the move-in packet.

5. Reporting Obligations: This form has two places for the Head of Household to sign. The first section acknowledges the household's reporting requirements. The second acknowledges that illegal drug activity in a subsidized unit will result in the termination of assistance.
6. Summary of Lead-based Paint Regulations: This form is only required for buildings that were built prior to 1978. It details what steps the Owner must abide by in cases of lead-based paint.

B. Lease

As part of the New Move-In packet, the Owner must provide a signed copy of the lease for the unit.

- The lease must contain the full unit address.
- The start date may not be prior to the application approval date.
- SHA requires the first term of the lease to be 12-months. The last day of the lease term should be the end of the month prior to the start month (example: a lease starting on June 15th, 2016 should end on May 31st, 2017).
- The lease should include the full contract rent not just the tenant's portion of the rent.
- The lease should detail what utilities, if any, the tenant is responsible for along with any security deposit that they have paid.

The Head of Household must sign the lease along with a building representative.

C. Timelines

Once a New Move-In packet is received by SHA, it will be reviewed for completeness. SHA will send an email rejecting the packet if any necessary information is missing or has any other deficiency.

SHA completes the processing of New Move-Ins and processes HAP payments to the Owner within 30 days of receipt. SHA will send a copy of the HUD 50058 form to the Owner as well. This form details all the income amounts counted, the household members and how the rent calculation was determined. A SHA 581 Lease Amendment form will also be sent to the Owner and the participant household. This form specifies the rent amounts each entity is to pay monthly. If the participant moved in during the middle of a month the 581 will also detail the prorated amounts to be paid.

8. Annual Reviews and Annual Updates

HUD requires participants in the Project-Based Program to have their income and household composition recertified at least once annually. These re-certifications, which are more commonly referred to as 'Annual Reviews', will be effective on the anniversary of the household's original move in month. For example, a household that moved into their Project-Based unit on January 15th, 2017 will have their next annual review effective on January 1st, 2018.

As with other processes, SHA requires the Owner to assist participant households in getting the annual review packet completed and submitted to SHA along with proper third party verifications.

A. Annual Review Packet

Although Annual Review packets are mailed to tenants, packets are also available [SHA's web site](#) and includes the following forms:

Annual Review Forms Checklist: This checklist needs to be completed and submitted with each annual review. The portion on the top should include the applicant's name, building name and unit. The checklist also details all the items that needed to be provided to SHA in order for the packet to be considered complete.

Personal Declaration for Eligibility and Certification: This is the same form that is used at application. Just as then, ensure that all the boxes and questions have been completed. The Owner should review the household composition and income that is reported to compare with what had been previously reported to see if there are any changes that would require further follow up.

General Release of Information: This form should be signed by all adults living in the household. It gives SHA permission to verify information provided by the household.

Verifications: The annual review packet must also contain all applicable third-party verifications for all of the household's income sources. The verifications must be current, within 60 days of submission.

B. Triennial Reviews (Annual Updates)

While most families in the Project-Based Program must go through the annual review process described above, there are some families who will not. These families are on a triennial schedule and will be identified to Owner when the household is so designated.

Households are assigned to the triennial schedule when all adults in the subsidized household are elderly or disabled. The lone exception is where the household is zero income. These zero-income households go through the normal annual review process

Triennial households will only complete an annual review packet and go through the full annual review process every third year. In the years between the household's full annual review, SHA will conduct an 'Annual Update'. This update will include any Cost of Living Adjustment (COLA) increases to fixed income sources such as SSI but will not require the household to submit a packet. SHA will send a SHA 581 Lease Amendment along with the Resident Worksheet indicating the household composition, income sources and amounts and any deductions the household qualifies for once the update is completed. The Owner will also receive this information, along with the HUD 50058.

It is important to note that households on the triennial schedule are still required to report any changes in their income or household composition with ten (10) business days of the change occurring.

C. Timelines

In order to ensure all the paperwork is completed with enough time to provide 30-days' notice to both the household and the Owners of any changes in the rent, SHA begins the annual review process 90-100 days in advance of the effective date. At that time SHA sends an annual review packet to the household to complete and turn in to the Owner. Owners must work with households to ensure packets are received by Owner with sufficient time for Owner to verify the information before forwarding the completed packet to SHA. SHA also sends the Owner a copy of the letter that accompanies the packet and indicates a due date that the materials must be submitted to SHA.

Once the packet has been delivered to Owner, the proper third party verifications should be retrieved and submitted to SHA by the due date on the paper – usually the first of the month.

If the packet is not turned in by the due date, SHA will send a letter to the household, with a copy to the Owner, informing them that a packet was not received. The letter will give the household 10 business days to complete the packet. If the packet is not received in that time, a notice of termination will be mailed to the household.

The same process will occur for packets that are turned in with missing or incomplete information. SHA sends the household, and Owner, a 'missing information' letter detailing what corrections are needed to the packet. Failure on the household's part to provide these documents within the timeline given will result in a notice of termination to be sent.

Completed packets will be processed in a timely fashion that will allow for 30-day notice of the household's new rent amounts. A SHA 581Lease Amendment indicating the new rent amounts and effective date will be sent to the household. A copy of the amendment along with the 50058 will also be emailed to the Owner.

9. Interim Reviews (Special Reviews)

An interim, or special review, is a certification that is processed whenever the household has a change of circumstances. This includes new household income, loss of household income, or a request to add or remove a household member.

A. Reporting changes

All changes to household income or composition must be reported within ten (10) business days of the change occurring. The household first needs to report changes to the Owner. The report must be in writing and preferably using SHA's Change of Income or Household Conditions Form.

After meeting with the household to review the form, the Owner gathers third party verifications to support the reported change and submits the Special Review to SHA. The packets are to be sent to a centralized special review email address at ProjectBasedSpecials@seattlehousing.org.

It's important to note that if SHA receives a special review for a decrease in income without any supporting verifications or documents SHA will notify the Owner and household that the review will be cancelled.

If a household fails to report an increase in income within the required time frame, the household will be subject to lease enforcement by Owner and possible termination from the program. At a minimum, the household will be required to enter into an agreement with SHA to reimburse SHA for the overpaid subsidy amount. If the household properly notifies Owner of any changes in income, and the Owner fails to notice SHA in a timely manner, Owner will be liable to repay any overpayment made by SHA, or may be liable to reimburse the household for any overpayment from the household.

B. Special Review Packet – Changes in income

There are two different checklists to utilize when submitting a special review packet. The first one is for changes that are income related only and there are no household additions being reported. Details for Special Reviews to add members of the household will be in the next section.

Forms for Special Reviews can be found on [SHA's web site](#) and includes the following:

Special Review Form Checklist: Please use this checklist to ensure that all required documents and forms have been collected for the review. Also, be sure to use the checklist noted as 'Packet A' which is only for reporting income changes and not household composition changes.

Change of Income or Household Conditions: This is a two-page form that asks the household to list the income that has either been lost or is starting/increasing. It is important that the head of household's information be entered in the portion at the top of the page, even if it is not that person's income that has changed. The head of household is required to sign and date the form at the bottom of page two. The first page of the form has boxes for employment wages as well as a box for other income, such as SSI, TANF and others. Below is what page one looks like:



**Housing Choice
Voucher Program**

THE PORCHLIGHT BUILDING
 Address 907 NW Ballard Way, Suite 200
 Seattle, WA 98107-4637
 Telephone 206-239-1500
 Fax 206-239-1770
 TTY 1-800-833-6388
 Website www.seattlehousing.org

Change of Income or Household Conditions

Head of household name (Last, First)	Head of household Social Security number
Address	Primary phone number

Instructions: Complete only the sections that are necessary to tell us how your household income or conditions have changed. Provide a response for all items in the applicable section and attach additional pages if necessary.

What type of change?

- I am reporting an increase in household income I would like to remove a household member
 I am reporting a decrease in household income Other: _____

Employment *Attach paystubs or a letter from the employer*

Change in pay or new employment	Employment ended
Household member _____	Household member _____
Employer name _____	Employer name _____
Employer phone _____	Employer phone _____
Employer address _____	Employer address _____
Effective date of the change _____	Stop date _____
Hourly pay rate \$ _____ Hours per week _____	<input type="checkbox"/> Attach confirmation from the employer of your last day worked

Other income *Check all applicable boxes, write in details, and attach statements*

<input type="checkbox"/> Child Support <input type="checkbox"/> DSHS (TANF / Disability Lifeline / Welfare) <input type="checkbox"/> Gifts or contributions <input type="checkbox"/> Labor and Industries (L&I) <input type="checkbox"/> Pension or annuity	<input type="checkbox"/> Social Security or SSI <input type="checkbox"/> Trust or retirement disbursements <input type="checkbox"/> Unemployment benefits <input type="checkbox"/> V.A. benefits <input type="checkbox"/> Other: _____
Household member _____	Household member _____
Describe change _____	Describe change _____
Amount \$ _____ Per <input type="checkbox"/> Week <input type="checkbox"/> Month	Amount \$ _____ Per <input type="checkbox"/> Week <input type="checkbox"/> Month
Start date _____ Stop date _____	Start date _____ Stop date _____

No income *Complete this section if an adult in the household does not have any income or receive any contributions*

Household member with no income/contributions _____	Start date _____
Describe income change _____	

The second page of the form is used for reporting changes in child care expenses, student status or indicate that they are making a change to their household composition. Note that to add a household member, this change of circumstance form is not the complete information that is needed. Special Reviews to add a member to the household in will be detailed in the following section. Below is a copy of what page two looks like:

Child care expense <i>Attach a statement from the provider that includes any subsidies and/or co-pays</i>	
Date of change _____	Your portion of the payment \$ _____ Per <input type="checkbox"/> Week <input type="checkbox"/> Month
Provider name _____	Provider phone _____
Provider Address _____	
Student status (adults) <i>Attach verification of enrollment status and financial aid</i>	
Household member _____	Start date _____ Stop date _____
Tuition cost \$ _____	Per <input type="checkbox"/> Quarter <input type="checkbox"/> Semester Financial aid \$ _____ Per <input type="checkbox"/> Quarter <input type="checkbox"/> Semester
Household Composition <i>See instructions below for appropriate attachments</i>	
<input type="checkbox"/> Complete a Request to Add a Household Member form if you want to add someone to your household.	
<input type="checkbox"/> Removing a member from the household	
Household member _____	Move out date _____
Attachments: <input type="checkbox"/> Verification of the household member's new address, such as a lease or a utility bill showing the name and address <input type="checkbox"/> Written verification from your landlord acknowledging the person is no longer in your household	
<input type="checkbox"/> Name change	
Old name _____	New name _____
Attachments: <input type="checkbox"/> Copy of name change court order <input type="checkbox"/> Social Security number verification with the new name	
Other change <i>If no other section applies, use this space to explain your household's income/circumstances</i>	
Household member _____	Date of change _____
Describe change _____	
Important: Seattle Housing must receive your written notice of your income and/or household conditions change within 10 business days of the change. Income decreases must be received by the 10 th of the month in order to adjust your rent for the following month. If this form is not completely filled out and/or supporting documentation is not attached, the review may be delayed. If changes are reported late (more than 10 business days after the change) or not at all, you could owe Seattle Housing money and you may risk losing your housing subsidy.	
I, (print head of household's name) _____, hereby authorize the Seattle Housing Authority to verify the information provided by me on this form. I understand that if this form is not completely filled out and/or supporting documentation is not attached, the review may be cancelled. I understand that such verification may include contacting any appropriate employers, governmental agencies, or individuals identified on this form.	
Head of household's signature _____	Date _____
 Upon request, Seattle Housing Authority will provide reasonable accommodations to people with disabilities so they can participate in our programs.	

As with other forms, it is important to review it for completeness before submitting it to SHA. If there are missing items or signatures, it may delay the process.

C. Special Review to add household members

If a household seeks to add a household member to the unit after lease-up, Owner may approve or reject the request based upon Owner's occupancy and criteria requirements and SHA occupancy standards. If adding a household member to the lease would violate the city or SHA occupancy standards for the number of household members in a specific sized unit, the Owner shall not approve the addition. See, Project-Based Occupancy Standards in Chapter 5 of the [Administrative Plan](#).

If approved by Owner, the person(s) seeking to be added to the lease must complete the Special Review Packet 'B' and have an acceptable criminal background check. As with all participants, the applicant must not have been terminated from any SHA program in the past 5 years and the applicant cannot owe SHA or any other PHA money from previous program participation.

The Special Review Packet 'B' must be filled out completely, including the top portion in which Owner indicates that the new addition has been approved to be added to the lease. The rest of the packet contains the same forms, documents and verifications that are required at application. Owner shall collect all forms, verify the information and then submit it to SHA for review.

Neither the household nor the Owner may allow the prospective household member to move in unless and until approved by SHA.

i. Adding minors

If a child is born to an existing household member, the household must report the same to Owner and provide to Owner, a copy of the birth certificate and, as soon as practicable, the social security card. Both documents must be provided to SHA within 90 days of the birth of the child.

If the household seeks to add a minor to the household, other than a new born, such addition must not violate Owner's or SHA's occupancy standards. If the addition is approved, the household must provide before move in, verification that a household member has legal custody of the minor, along with copies of the minor's social security card and birth certificate with the special review packet. In cases of split custody, the household member with custody must be determined by the court as the "custodial parent" and the minor must reside in the household greater than 50% of the time.

D. Timelines

The effective date of interim reviews depends on the type of change being reported.

If a request for a special review due to a decrease in the household's income is received by SHA on or before the 10th of the month, the effective date of the new household share of the rent, if any, will be the first of the following month. For example, a completed Change of Circumstances

form with the required verifications submitted on June 5th would have the new rent amount go into effect on July 1st. If the request comes in after the 10th the change will be delayed by a month. So in our example, if the change was submitted on June 15th, the effective date would then be August 1st.

If the household reports an increase in their income, SHA processes the review and provides the household with at least 30 days' notice of their rent increase. For example, a completed special review packet is received by SHA for an increase on June 5th, the review will be processed with an effective date of August 1st.

Whether the change is a decrease or an increase to the residents rent, SHA provides the Owner and the household with a SHA 581 Lease Amendment detailing the effective date and rent amounts. The Owner is also provided a copy of the HUD 50058.

10. Contract Rent Increases

Owners will receive an automatic rent increase for the Project Based units at the contract anniversary date in the amount of the HUD published Operating Cost of Adjustment (OCAF) for Washington State.

Ninety (90) days before each Project-Based housing provider's contract's anniversary date, the HCV Contract Coordinator will apply the current year OCAF to the current gross rents, and perform a rent comparison to ensure the adjusted rent is rent reasonable. New rental amounts will be set at the OCAF adjusted rent, rent which is determined by a rent reasonableness comparison for the units or the affordable housing voucher payment standard, whichever amount is the lowest.

No later than sixty (60) days prior to the contract anniversary date the Owner will be notified of the increased rental amounts and provide an updated Exhibit A which details the rent amounts. Automatic OCAF adjusted rent increases will be effective on the contract's anniversary date, the first day of the month that the contract was first executed. The rent increases will be effective at tenant Annual Review dates or New Move-Ins/Transfers that are effective on or after the effective date of the contract anniversary date. This process mirrors how Utility Estimates are implemented and reduces the need for a separate certification for rent increases.

11. Move outs

Within 10 days of the date when a household moves out of a Project-Based unit, the Owner must submit to SHA a SHA Project-Based Move-Out Notification form. Additionally the Owner should submit any pertinent information regarding the move out/termination of tenant such as 20 day vacate notices, eviction notices, mutual termination agreements, abandonment notification, etc.

Owner must indicate on the form the reason the household has moved and, if known, their forwarding address.

The form asks the Owner if it would like to keep the HAP for the move out month. If a household moves out after the first of a month, the building has the option of keeping the HAP for the entire month or having SHA recoup the HAP for the days after the move out.

If no preference is noted on the form SHA will automatically prorate the HAP and recoup for the days after the household moved out.

12. Transfers

If a household moves from one unit to another within the same building, and on the same HAP contract, it is considered a “Unit Transfer” and Owner shall use the Unit transfer Packet found with the other forms on the [Project-Based Forms website](#).

The transfer packet is similar to the New Move-In packet and the Owner will need to the following forms for the new units:

- Statement of Household Responsibility with the new, unit address
- Inspection Self-Certification form for the new unit must be submitted
- Lease and Tenancy Addendum

If a household is moving from one building to another, or to a unit that is on a separate HAP contract then the Owner will need to complete a move out packet and have the household complete a new application.

13. Vacancy Loss

HUD regulations allow for Owners with a Project-Based HAP contract to be reimbursed for some vacancy loss.

Owners are eligible to be reimbursed for 80-percent of the contract rent amount for the days remaining in the move out month, plus an additional 30 days as long as Owner is making a good

faith effort to fill the vacancy. If the Owner retains any deposit amounts to cover vacancy, this amount must be deducted from the vacancy loss claim.

Vacancy loss claims must be submitted to SHA by the end of the quarter following the move out month. For example, if a household moves out in March and there is a claim, it must be submitted to SHA by June 30th.

To submit a claim, the Owner completes the Vacancy Loss Claims spreadsheet found in the forms section of SHA’s Project-Based web site.

	A	B	C	D	E	F	G	H	I	J	K
1	Seattle Housing Authority Project-based Program										
2	Vacancy Loss Claims										
3											
4	Agency Name:										
5	Date:										
6				# of Days In							
7				Move out Date or	Move Out						
8	Property Name	Unit No.	Tenant Name	Last day HAP paid	Month	Contract Rent	Last day eligible	Days Lost	Deposit amount retained	\$ per day	Vacancy Claim
9					-	-		0	-	0	-
10					-	-		0	-	0	-

Upon receipt of a timely claim, SHA will review the claim and verify the information is accurate. Once completed, SHA will send an invoice back to the Owner noting any changes to the amounts and the justification for those changes. Payments will be processed and included in the normal monthly check runs and be labeled as vacancy loss payments.

14. Contract Compliance

Pursuant to the HAP contract, SHA will conduct periodic contract monitoring site visits, including inspections and audits of tenant/participant files and accounts to ensure that the HAP contract is followed.

File audits ensure the Owner is enforcing mandatory HUD compliance through lease enforcement which includes, but is not limited to, the household paying their portion of the rents, addressing tenant and/or community complaints, etc., and where applicable, to ensure that the Owner has notified SHA regarding lease non-compliance. In the event of lease enforcement, SHA may also verify that Owner has provided the household with a notice that meets the requirements of the HUD funded program.

If an inconsistency is found, the Owner will be considered non-compliant and therefore subject to contract non-compliance action.

SHA has identified performance benchmarks that will be measured and reported on. These include but are not limited to the following:

A. Management Plan

Each Project-Based partner is required to maintain an up to date management plan which, in consideration of short- and long-term strategies, illustrates the goals of the organization, associated resources, operational timelines, and a quality management strategy.

The management plan should follow property management industry standards⁵ and at minimum include the following:

- a. Conflict of Interest;
- b. Staffing;
- c. Leasing and Occupancy;
- d. Rent Collection;
- e. Lease Enforcement;
- f. Property Maintenance/Work Orders/inspections;
- g. Tenant Selection/Orientation; and but not limited to
- h. A Staff Training Plan.

Failure to formulate and maintain a management plan is considered non-compliance, and therefore subject to contract non-compliance penalty. SHA may request to review the management plan and subsequently conduct a contract monitoring site visit.

B. Waiting List Management/Tenant Selection Plan

According to the HAP contract, partners will keep their own waitlists with a plan of how tenants will be selected for housing. SHA will monitor this to ensure that there is an established and up to date tenant selection plan that meets fair housing and local regulations. SHA understands that in some cases partners choose to serve a particular demographic population. Any special preferences are required to be stipulated in the tenant selection plan.

Failure to formulate and maintain a tenant selection plan is considered non-compliance and therefore subject to contract non-compliance penalty.

C. Unit Occupancy/Utilization

Utilization is defined as the share of an agency's PB authorized vouchers in use on average over a calendar year. SHA has set the minimum acceptable occupancy/utilization rate for the Project-based Program at 95%. It is important that the partners ensure accurate reporting and that participants/tenants are in the occupied units as reported to SHA. To monitor this requirement, SHA may conduct a site visit and occupancy verification of up to 100% of the contracted units to ensure that the units are appropriately occupied.

⁵Sample at this link: https://www.hud.gov/sites/documents/DOC_9211.PDF

Owners that do not meet this requirement and do not have a documented reason for not meeting the utilization requirement will be considered non-compliant and therefore subject to contract non-compliance actions.

D. Property/Unit Maintenance and Housing Quality Standards (HQS)

Each unit for which the Owner is receiving housing authority payments must meet HQS requirements and be in good and livable condition. The Owner is required to provide maintenance services and maintain/operate the contract units and premises to provide safe, decent, and sanitary housing. SHA may inspect the contract units and premises anytime deemed necessary to assure HQS compliance and that the Owner is providing maintenance, utilities, and other unit maintenance services in accordance with the Lease and HAP contract; and may abate, reduce HAP, or terminate the HAP contract.

To monitor and ensure the contracted units meet HQS, SHA will select a sample of units and perform an HQS QC audit over the course of each calendar year. The audit sample may range from 5% to 50% of the contracted units (SHA has the discretion to choose the sample size), and when warranted, especially in cases of special audits, the audit sample may be lower or higher than the range.

In addition, SHA may review work orders to determine that turnaround time and responses to tenant/participant needs are within the required timeline stipulated in the management plan. SHA may follow up to ensure that work orders are closed out appropriately.

Owners who do not meet this HQS requirement and do not have a documented reason for not meeting the requirement will be considered non-compliant and therefore subject to contract non-compliance penalty.

E. Tenant Rent Collection

The monthly HAP to the Owner for a contract unit is equal to the amount by which the contract rent exceeds the tenant rent portion. SHA determines and provides documentation that lets the Owner know the rent portions of both the tenant and SHA. The rent portions and subsidy are reevaluated when the tenant/participant experiences a change in circumstances and on an annual basis. The total contract rent charged by the Owner must never exceed the amounts authorized by SHA.

To determine consistency in this area, SHA will review the following items to ensure that they reconcile – pertaining to rent charges and collection.

- i. Monthly Rent Notices
- j. Rent Charges and Adjustments
- k. Notices of Non Payment of Rent

Where inconsistencies are determined – for example, unsupported rent adjustments, rent charges that do not reconcile with SHA records, etc. – the Owner will be considered non-compliant and therefore subject to contract non-compliance actions.

Households may request a review of their rent calculations, and if they disagree with the rent calculations, may request an informal hearing with SHA to discuss how the rent was calculated. See Appendix A.

F. Lease Enforcement

The Owner may only terminate a tenancy in accordance with the lease, HUD requirements, and state and local landlord-tenant laws, as applicable and as amended. According to the HAP contract, the Owner must include specific notice in any termination notice that the tenant has the right to an informal hearing and provide a copy of notice of lease violation or eviction notice served to the tenant when requested by SHA. See Appendix A for more information on the informal hearing.

G. Vacancy Payments

SHA will audit the vacancy payments history and specifics to ensure policy and procedures were adhered to; and that the appropriate HAP amounts were paid out. If any discrepancies are realized, the Owner/partner will be required to work with SHA to resolve the matter, actions to include refunds for overpayments, etc.

H. Resident File Management

Records and information management is an organizational function devoted to the management of information in an organization throughout its life cycle, from the time of creation or inscription, through to its eventual disposition. This includes identifying, classifying, storing, securing, retrieving, tracking and destroying or permanently preserving records. The purpose of records management is part of an organization's broader function of Governance, Risk Management, and Compliance and is primarily concerned with managing the evidence of an organization's activities as well as the reduction or mitigation of risk associated with it. In light of the importance of the fact that records preserve aspects of institutional memory, SHA has high standards for resident/participant file documentation and organization. These standards include complete, accurate, and thorough documentation of financials and tenant files, organized in recognizable order, preferably based on type of document and date.⁶ In addition, resident/participant information is required to be kept in a manner that ensures privacy and confidentiality. Moreover, Owner must adhere to HUD standards of file retention, requiring that at least seven (7) years of the participant/resident records are kept for access when needed. These expectations cover

⁶ Refer to attached sample checklist.

records kept in any format, to include electronic records- specifically to include standards for the preservation, long-term storage and access to permanent electronic records.

To monitor this benchmark, SHA may conduct file audits to ensure privacy/confidentiality and that resident records are kept orderly (and files are purged where needed).

Where the inconsistency and disorderliness is illustrated, the Owner will be considered non-compliant and therefore may be subject to contract non-compliance penalty.

15. Helpful Resources

Below are links to resources that may be helpful in administering the Project-based Program.

- [Housing Choice Voucher Program Administrative Plan](#)
- [Seattle Housing Authority – Moving to Work Plan](#)
 - Information regarding Moving to Work(MTW) activities for the Project-based Program can be found beginning on page 25
- [24 CFR 982](#) – Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- [24 CFR 983](#) – Project-Based Voucher (PBV) Program

APPENDIX A - INFORMAL HEARINGS

A household is entitled to an informal hearing when either the Owner or SHA takes an action (or fails to act) that results in an Adverse Action.

An adverse action is where an Owner or SHA determination negatively impacts the individual tenant's right regarding the tenancy. These determinations include, but are not limited to the following:

- Owner adds charges on the tenant's account that are not costs or fees that are part of the lease or Owner's policy (For example, Owner charges \$800 to repair a dumpster and clean up the parking lot after tenant hits the dumpster with his car. The charge is subject to an informal hearing. A charge that would not require an informal hearing includes, but is not limited to a set charge to provide a service to a tenant, such as a lock out charge where tenant calls a third party vendor to be let back into their unit.
- HCV's increase of a household's portion of the rent;
- Termination of assistance or termination of tenancy.

HUD Regulations – 24 CFR 966.4 SubPart B (Handout)

1. Training Contractors on the HUD requirements to offer Informal and Grievance Hearings
2. What is an adverse action and when does LL need to notify tenant of right to hearing?
3. Review // Model Grievance Hearing Notices
4. Informal Hearing is Mandatory before tenant can request Grievance Hearing
 - a. Contract Management Company shall hold informal review
 - b. Contract Management shall send written findings of any informal review to SHA
 - c. Written Findings on Informal Review shall advise tenant of right to Grievance Hearing. (If tenant does not ask for informal hearing tenant has no right to G.H.)
5. If Tenant requests Grievance Hearing. – SHA will take over and schedule – Contractor is responsible to appear and present hearing.
6. Hearing Officer issues written findings.
7. Termination processes CEASE until the Hearing process is complete.