18.3 Verification of Citizenship or Eligible Noncitizen Status

The citizenship/eligible non-citizen status of each family member regardless of age must be determined.

Prior to being admitted or at the first reexamination, all citizens and nationals will be required to sign a declaration under penalty of perjury. (They will be required to show proof of their status by such means as birth certificate, military ID or military DD 214 Form.)

Prior to being admitted or at the first reexamination, all eligible non-citizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age.

Prior to being admitted or at the first reexamination, all eligible non-citizens must sign a declaration of their status and a verification consent form and provide their original INS documentation. BangorHousing will make a copy of the individual's INS documentation and place the copy in the file. BangorHousing also will verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, BangorHousing will mail information to the INS so a manual check can be made of INS records.

Family members who do not claim to be citizens, nationals or eligible non-citizens, or whose status cannot be confirmed, must be listed on a statement of non-eligible members and the list must be signed by the head of the household.

Non-citizen students on student visas, though in the country legally, are not eligible to be admitted to the HCV Program.

Any family member who does not choose to declare their status must be listed on the statement of non-eligible members.

If no family member is determined to be eligible under this Section, the family's admission will be denied.

The family's assistance will not be denied, delayed, reduced or terminated because of a delay in the process of determining eligible status under this Section, except to the extent that the delay is caused by the family.

If BangorHousing determines that a family member has knowingly permitted an ineligible non-citizen (other than any ineligible non-citizens listed on the lease) to permanently reside in their HCV unit, the family’s assistance will be terminated. Such family will not be eligible to be readmitted to HCV for a period of 24 months from the date of termination.

18.4 Verification of Social Security Numbers

Prior to admission, every family member regardless of age must provide the BangorHousing with a complete and accurate Social Security Number (with proof that the Social Security Number belongs to that person) unless they do not contend eligible immigration status. New family members must provide this verification prior to being added to the lease. If the new family member is under the age of six and has not been assigned a Social Security Number, the family shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. BangorHousing may grant one ninety (90) day extension for newly added family members under the age of six if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the person.

If a person is already a program participant and has not disclosed his or her Social Security Number, it must be disclosed at the next re-examination or re-certification.

Participants aged 62 or older as of January 31, 2010, whose initial eligibility determination was begun before January 31, 2010, are exempt from the required disclosure of their Social Security Number. This exemption continues even if the individual moves to a new assisted unit.

The best verification of the Social Security Number is the original Social Security card. If the card is not available, BangorHousing will accept an original document issued by a federal or state government agency, which contains the name of the individual and the Social Security Number of the individual, along with other identifying information of the individual or such other evidence of the Social Security Number as HUD may prescribe in administrative instructions.
If a family member is unable to provide a Social Security card or other evidence of their Social Security Number, BangorHousing may also accept a notarized declaration, made under the penalty of perjury, from the person stating: 1. Why they cannot obtain or do not have their Social Security card, and 2. What their Social Security Number is. If BangorHousing accepts this declaration as evidence of a person's Social Security Number, BangorHousing will review the Failed SSA Identity Report to quickly identify any participants whose identity is not verified.

If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, the family cannot be assisted until verification is provided.

If an individual fails to provide the verification within the time allowed, if requested an extension can be granted. The BangorHousing may grant one ninety (90) day extension from termination if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and there is a reasonable likelihood that the person will be able to disclose a Social Security Number by the deadline.

18.5 Timing of Verification

Verification must be dated within ninety (90) days of certification or reexamination. If the verification is older than this, the source will be contacted and asked to provide information regarding any changes.

When an interim reexamination is conducted, BangorHousing will verify and update only those elements reported to have changed.

18.6 Frequency of Obtaining Verification

For each family member, citizenship/eligible non-citizen status will be verified only once. This verification will be obtained prior to admission. If the status of any family member was not determined prior to admission, verification of their status will be obtained at the next regular reexamination. Prior to a new member joining the family, their status will be verified.

For each family member, verification of Social Security Number will be obtained only once. This verification will be accomplished prior to admission. When a family member who did not have a Social Security Number at admission receives a Social Security Number, that number will be verified at the next regular reexamination.

18.7 Special Verification for Adult Students

In addition to other verification procedures, a student head of household must provide a written signed certification that the student does or does not receive any financial support from his or her parents or guardians and whether or not the student is receiving a scholarship. If support is received, the certification must state the amount of the anticipated support. BangorHousing shall verify using normal third-party verification procedures that amount by communicating directly with the supporting person(s). If an athletic scholarship is involved, BangorHousing shall determine if any of the scholarship is available for housing costs.

18.8 Discrepancies in Verified Information

An EIV Income Report shall be pulled from the system before annual or interim reexamination are conducted for any family and compared with family-reported information. If the EIV report reveals an income source that was not reported by the participant or a substantial difference (defined as $2400 or more annually) in the reported income information, BangorHousing will:

1. Discuss the income discrepancy with the participant; and

2. Request the participant to provide any documentation to confirm or dispute the unreported or underreported income and/ or income sources; and

3. In the event the participant is unable to provide acceptable documentation to resolve the income discrepancy, the BangorHousing will request from the third-party source, any information necessary to resolve the income discrepancy; and

4. If applicable, determine the participant's underpayment of rent as a result of unreported or underreported income, retroactively[8]; and

5. Take any other appropriate action.

The participant will be provided an opportunity to contest BangorHousing's determination of overpayment of the HAP. Participants will be promptly notified in writing of any adverse findings made on the basis of the information verified through the aforementioned income discrepancy resolution process. The participant may contest the findings in accordance with established grievance procedures. BangorHousing will not terminate, deny, suspend, or reduce the family's assistance until the expiration of any notice or grievance period.

When there is an unsubstantial or no disparity between participant-reported and EIV-reported income information, BangorHousing will obtain from the participant, any necessary documentation to complete the income determination process. As noted previously, the BangorHousing may reject any participant-provided documentation, if the Authority deems the documentation unacceptable. Documentation provided by the participant will only be rejected for only the following reasons:

1. The document is not an original; or

2. The original document has been altered, mutilated, or is not legible; or

3. The document appears to be a forged document (i.e. does not appear to be authentic).

BangorHousing will explain to the participant, the reason(s) the submitted documents are not acceptable and request the participant to provide additional documentation. If at any time, the participant is unable to provide acceptable documentation that BangorHousing deems necessary to complete the income determination process, the Authority will submit a traditional third-party verification form to the third-party source for completion and submission to BangorHousing.

[8] BHA will determine the retroactive rent as far back as the existence of complete file documentation (form HUD-50058 and supporting documentation) to support such retroactive rent determinations.

If the third-party source does not respond to BangorHousing's request for information, the Authority is required to document the participant file of its attempt to obtain third-party verification and that no response to the third-party verification request was received.

BangorHousing will then pursue lower level verifications in accordance with the verification hierarchy.

18.9 Temporary Compliance Assistance

In PIH Notice 2013-03, HUD granted the BangorHousing some temporary, needed administrative burden relief. BangorHousing is hereby adopting the allowable relief activities.

1. BangorHousing will calculate a participant's rent based on his or her actual income over the past twelve months instead of trying to project the income for the next twelve months. The BangorHousing will use the most recent twelve-month period available in EIV for re-certifications. Since the data in EIV has already been verified by a third party, BangorHousing will not re-verify EIV data.

   If there has been a change in circumstances for a participant, if EIV is not current enough, or the participant disputes the EIV reported income and is unable to provide acceptable documentation to resolve the dispute, the BangorHousing will request written third-party verification and go by the regular verification process.

   BangorHousing will continue to verify income as normal from sources not available in EIV using the same period of time as used for the EIV-supplied data.

2. If a participant has assets valued at $50,0000 or less, the participant can self-certify to the amount of their assets and the income these assets are anticipated to generate. Every three years the assets must be verified regardless of the amount. BangorHousing will not verify this data, but merely include it in the income calculation. The application and reexamination documentation can serve as this declaration as long as it is signed by all adult family members. If the assets total more than $50,000, verifications will be made as usual.

3. BangorHousing will utilize the authority granted by the Notice to approve payment standards of up to 120% of FMR without prior HUD approval, if needed, as a reasonable accommodation for a family including a person with a disability. BangorHousing will maintain documentation that the rent reasonableness analysis has been completed and that the unit has the feature(s) needed to meet the needs of the person with disabilities.

19.0 RENT AND HOUSING ASSISTANCE PAYMENT

19.1 General

After October 1, 1999, BangorHousing will issue only vouchers to applicants, movers, and families entering the jurisdiction through portability.

19.2 Rent Reasonableness

BangorHousing will not approve an initial rent or a rent increase in any of the tenant-based programs without determining that the rent amount is reasonable. Reasonableness is determined prior to the initial lease and at the following times:

1. Before any increase in rent to owner is approved;

2. If 60 days before the contract anniversary date there is a 5% decrease in the published FMR as compared to the previous FMR; and

3. If BangorHousing or HUD directs that reasonableness be re-determined.

19.3 Comparability

In making a rent reasonableness determination, BangorHousing will compare the real rent for the unit to the rent of comparable units in the same or comparable neighborhoods that are not assisted under any federal, state or local program. BangorHousing will consider the location, quality, size, number of bedrooms, age, amenities, housing services, maintenance and utilities of the unit and the comparable units.

BangorHousing will maintain current survey information on rental units in the jurisdiction. BangorHousing will also obtain from landlord associations and management firms the value of the array of amenities.

BangorHousing will establish minimum base rent amounts for each unit type and bedroom size. To the base BangorHousing will be able to add or subtract the dollar value for each characteristic and amenity of a proposed unit.

Owners are invited to submit information to the survey at any time. Owners may review the determination made on their unit and may submit additional information or make improvements to the unit that will enable BangorHousing to establish a higher value.

The owner must certify the rents charged for other units. By accepting the housing assistance payment each month the owner is certifying that the rent to owner is not more than the rent charged by the owner for comparable unassisted units in the premises.

19.4 Maximum Subsidy

The Fair Market Rent (FMR) published by HUD or the exception payment standard rent (requested by the BangorHousing and approved by HUD) determines the maximum subsidy for a family.

For the HCV Program, the minimum payment standard will be 90% of the FMR and the maximum payment standard will be 120% of the FMR.

For a voucher tenancy in an insured or non-insured 236 project, a 515 project of the Rural Development Administration, a Section 202 or 811 project, or a Section 221(d)(3) below market interest rate project, the maximum subsidy may not exceed the basic rent charged including the cost of tenant-paid utilities. Furthermore, if any of the units also receive the benefit of a State, local, or federal housing subsidy (e.g., HCV project-based housing assistance payments contract), they are ineligible units under the HCV program.

For manufactured home space rental, the maximum subsidy under any form of assistance is the Fair Market Rent for the space as outlined in 24 CFR 982.888.

19.5 Setting the Payment Standard

BangorHousing has set the payment standard between 90% and 120% of the FMR. The BangorHousing will review its determination of the payment standard annually after publication of the FMRs. BangorHousing will consider vacancy rates and rents in the market area, size and quality of units leased under the program, rents for units leased under the program, success rates of voucher holders in finding units, and the percentage of annual income families are paying for rent under the Voucher Program. If it is determined that success rates will suffer or that families are having to rent low quality units or pay over 40% of income for rent, the payment standard may be raised to the level judged necessary to alleviate these hardships.

BangorHousing may establish a higher payment standard (although still within 120% of the published fair market rent) as a reasonable accommodation for a family that includes people with disabilities. With approval of the HUD Field Office, the payment standard can go above 120 %.

If a higher payment standard is needed above 120% as a reasonable accommodation, BangorHousing shall submit the following to HUD:

1. Note whether the family is an applicant or participant family.

2. The number of household members including a live-in aide/s.

3. The voucher size the family is issued under BangorHousing's subsidy standards or any exception to those standards granted through a reasonable accommodation request; e.g., as a reasonable accommodation, a single-person family may be issued a two-bedroom voucher due to a need to store medical equipment.

4. The FMR for the voucher size or unit size, whichever is smaller.

5. When either the disability or the need for the requested accommodation is not known or readily apparent, a statement from a health care provider regarding the need for the reasonable accommodation and the features of the unit (which may include its location) which meet that person's needs.

6. The contract rent and utility allowance for the unit.

7. A statement from BangorHousing that it has determined the rent for the unit is reasonable, and that the unit has the feature/s required to meet the needs of the person with disabilities as noted in the statement from the health care provider where such a statement is necessary (see 5 above).

8. The household's monthly adjusted income.

9. Proposed effective date of the new lease or actual effective date of the lease renewal.

Payment standards will not be raised solely to allow the renting of luxury quality units.

If success levels are projected to be extremely high and rents are projected to be at or below 30% of income, BangorHousing will reduce the payment standard. Payment standards for each bedroom size are evaluated separately so that the payment standard for one-bedroom size may increase or decrease while another remains unchanged. BangorHousing may consider adjusting payment standards at times other than the annual review when circumstances warrant.

Before increasing any payment standard, BangorHousing will conduct a financial feasibility test to ensure that in using the higher standard, adequate funds will continue to be available to assist families in the program.

19.6 Selecting the Correct Payment Standard for a Family

1. For the voucher tenancy, the payment standard for a family is the lower of:

   a. The payment standard for the family unit size; or

   b. The payment standard for the unit size rented by the family.

2. If the unit rented by a family is located in an exception rent area, BangorHousing will use the appropriate payment standard for the exception rent area.

3. During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:

   a. The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner; or

   b. The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.

4. At the next annual reexamination following a change in family size or composition during the HAP contract term and for any reexamination thereafter, paragraph B above does not apply.

5. If there is a change in family unit size resulting from a change in family size or composition, the new family unit size will be considered when determining the payment standard at the next annual reexamination.

19.7 Area Exception Rents

In order to help families find housing outside areas of high poverty or when voucher holders are having trouble finding housing for lease under the program, BangorHousing may request that HUD approve an exception payment standard rent for certain areas within its jurisdiction. The areas may be of any size, though generally not smaller than a census tract. BangorHousing may request one such exception payment standard area or many. Exception payment standard rent authority may be requested for all or some unit sizes, or for all or some unit types. The exception payment standard area(s) may not contain more than 50% of the population of the FMR area.

When an exception payment standard rent has been approved and the FMR increases, the exception rent remains unchanged until such time as BangorHousing requests and HUD approves a higher exception payment standard rent. If the FMR decreases, the exception payment standard rent authority automatically expires.

19.8 Assistance and Rent Formulas

1. The Total Tenant Payment is equal to the highest of:

   a. 10% of the family's monthly income

   b. 30% of the family's adjusted monthly income

   c. The minimum rent

   d. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of those payments which is so designated. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated

   Plus any rent above the payment standard.

2. Minimum Rent.

   The BangorHousing has set the minimum rent as **$50.00**. However, if the family requests a hardship exemption, the BangorHousing will suspend the minimum rent for the family beginning the month following the family's hardship request. The suspension will continue until BangorHousing can determine whether hardship exists and whether the hardship is of a temporary or long-term nature. During suspension, the family will not be required to pay a minimum rent and the Housing Assistance Payment will be increased accordingly.

   a. A hardship exists in the following circumstances:

      i. When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program including a family that includes a member who is a non-citizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Act of 1996;

      ii. When the family would be evicted because it is unable to pay minimum rent;

iii. When the income of the family has decreased because of changed circumstances, including loss of employment; and

iv. When a death has occurred in the family.

b. No hardship. If BangorHousing determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent to BangorHousing for the time of suspension.

c. Temporary hardship. If BangorHousing determines that there is a qualifying hardship but that it is not of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the month following the date of the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. BangorHousing will offer a reasonable repayment agreement for any minimum rent back payment paid by BangorHousing on the family's behalf during the period of suspension.

d. Long-term hardship. If BangorHousing determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.

e. Appeals. The family may use the informal hearing procedure to appeal BangorHousing's determination regarding the hardship. No escrow deposit will be required in order to access the informal hearing procedures.

3. HCV Merged Vouchers

   a. The payment standard is set by BangorHousing between 90% and 120% of the FMR. Over 120% with HUD approval.

   b. The participant pays the greater of the Total Tenant Payment or the minimum rent, plus the amount by which the gross rent exceeds the payment standard.

   c. No participant when initially receiving tenant-based assistance on a unit shall pay more than 40% of their monthly-adjusted income if the gross rent exceeds the applicable payment standard.

4. HCV Preservation Vouchers

   a. The payment standard is the lower of:

      i. The payment standard amount for the appropriate family unit size; or

ii. The payment standard amount for the size of the dwelling unit actually rented by the family.

b. If the dwelling unit is located in an exception area, the BangorHousing will use the appropriate payment standard for the exception area.

c. During the HAP contract term, the payment standard for the family is the higher of:

i. The initial payment standard (at the beginning of the HAP contract term), as determined in accordance with paragraph (1)(a) of this section, minus any amount by which the initial rent to the owner exceeds the current rent to the owner; or

ii. The payment standard as determined in accordance with paragraph (1)(a) or (1)(b) of this section, as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.

d. At the next regular reexamination following a change in family composition that causes a change in family unit size during the HAP contract term, and for any examination thereafter during the term:

i. Paragraph (c)(i) of this section does not apply; and

ii. The new family unit size must be used to determine the payment standard.

e. The BangorHousing will pay a monthly housing assistance payment on behalf of the family that equals the lesser of:

i. The payment standard minus the total tenant payment; or

ii. The gross rent minus the total tenant payment.

5. Manufactured Home Space Rental: HCV Vouchers

a. The payment standard for a participant renting a manufactured home space is the published FMR for rental of a manufactured home space.

b. The space rent is the sum of the following as determined by BangorHousing:

i. Rent to the owner for the manufactured home space;

ii. Owner maintenance and management charges for the space; and

iii. Utility allowance for tenant paid utilities.

c. The participant pays the rent to owner less the HAP.

d. HAP equals the lesser of:

i. The payment standard minus the total tenant payment; or

ii. The rent paid for rental of the real property on which the manufactured home owned by the family is located.

e. Mobile home is not counted as an asset, when the tenant is living in the home and paying lot rent only.

6. Rent for Families under the Non-citizen Rule. A mixed family will receive full continuation of assistance if all of the following conditions are met:

a. The family was receiving assistance on June 19, 1995;

b. The family was granted continuation of assistance before November 29, 1996;

c. The family's head or spouse has eligible immigration status; and

d. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three years. If granted after that date, the maximum period of time for assistance under the provision is 18 months. The BangorHousing will grant each family a period of 6 months to find suitable affordable housing. If the family cannot find suitable affordable housing, the BangorHousing will provide additional search periods up to the maximum time allowable.

Suitable housing means housing that is not substandard and is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25%.

The family's assistance is prorated in the following manner:

a. Find the prorated housing assistance payment (HAP) by dividing the HAP by the total number of family members, and then multiplying the result by the number of eligible family members.

b. Obtain the prorated family share by subtracting the prorated HAP from the gross rent (contract rent plus utility allowance).

c. The prorated tenant rent equals the prorated family share minus the full utility allowance.

19.9 Utility Allowance

BangorHousing maintains a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse)).

The utility allowance schedule is determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, BangorHousing uses normal patterns of consumption for the community as a whole and current utility rates.

BangorHousing reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. BangorHousing maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with BangorHousing.

BangorHousing uses the appropriate utility allowance for the lower of the actual size of dwelling unit actually leased by the family or the voucher size.

At each reexamination, BangorHousing applies the utility allowance from the most current utility allowance schedule.

BangorHousing will approve a request for a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to the owner. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant. The BangorHousing reserves the right to pay the utility allowance directly to the utility companies. The family will be notified of the amount paid to the utility supplier.

At the time of the annual review, the family will be required to provide a current statement to show the utilities are paid up to date.

19.10 Distribution of Housing Assistance Payment

BangorHousing pays the owner the lesser of the housing assistance payment or the rent to owner. All payments will be by direct deposit into an account designated by the owner. If payments are not made when due, the owner may charge the BangorHousing a late payment, agreed to in the Contract and in accordance with generally accepted practices in the Bangor jurisdiction if the following conditions apply.

1. It is the owner's practice to charge such penalties for assisted and unassisted tenants; and

2. The owner also charges such penalties against the tenant for late payment of family rent to the owner.

Late charges will not be paid when the reason for the lateness is attributable to factors beyond the control of BangorHousing.

If an owner receives HAP for any month in which the owner is ineligible to receive HAP because of a deceased tenant, BangorHousing will immediately notify the owner in writing of the ineligible HAP and require the owner to repay the overpayment within 30 days. If the owner does not comply, BangorHousing may deduct the amount due to the Authority from any amounts due to the owner under any other HAP contract. If there is no other HAP contract with the owner, the BangorHousing may seek and obtain additional relief by judicial order or action in accordance with state and local laws.

In instances where a deceased single member household has been deceased for a period greater than 6 months and the owner received HAP, BangorHousing may determine that the owner has breached the HAP contract. As such, BangorHousing may exercise any of its rights and remedies under the HAP contract, or any other available rights and remedies for such breach. BangorHousing will notify the owner of such determination, including a brief statement of the reasons for the determination. The notice by the Authority to the owner may require the owner to take corrective action, as verified or determined by BangorHousing, by a deadline prescribed in the notice.

19.11 Change of Ownership

BangorHousing requires a written request by the owner who executed the HAP contract in order to make changes regarding who is to receive BangorHousing's rent payment or the address as to where the rent payment should be sent.

In addition, BangorHousing requires a written request from either the new owner or the previous owner to process a change of ownership. The following documents will accompany the written request:

1. Transfer of ownership form;

2. Tax Identification Number or Social Security Number;

3. New Landlord Information form, inclusive of Direct Deposit information.

New owners will be required to execute IRS form W-9. The BangorHousing may withhold the rent payment until the taxpayer identification number is received.

19.12 Landlord Leasing Incentives

To incentivize landlords' participation and continued participation in the HCV Program, BangorHousing has adopted two incentive programs.

1. BangorHousing will compensate landlords for damages to the contract unit caused by the participant. If the participant has vacated the unit and the left the unit damaged, the landlord must first use the participant's security deposit to cover damages and, thereafter, BangorHousing will provide up to two months of contract rent (or the actual cost of repairs, whichever is less) minus the security deposit to cover remaining damages

   This payment will be made to the landlord when the next HAP contract is signed between the owner and BangorHousing.

2. BangorHousing will also provide incentive payments to new landlords joining the HCV program who rent units in Bangor, where vouchers are difficult to use. These payments will be equal to no more than one month of the contract rent.

   This payment will be made to the landlord at the HAP contract is executed between the owner and BangorHousing. Payments under this section may only be made when and to the extent that funds are available.

20.0 INSPECTION POLICIES, HOUSING QUALITY STANDARDS, AND DAMAGE CLAIMS

BangorHousing will inspect all units to ensure that they current housing standards. No unit will be initially placed on the HCV Existing Program unless the applicable standard is met. Units will be inspected at least annually, and at other times as needed, to determine if the units meet these standards. The BangorHousing must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family will be notified of the inspection appointment by first class mail. If the family cannot be at home for the scheduled inspection appointment, the family must call and reschedule the inspection or make arrangements to enable BangorHousing to enter the unit and complete the inspection.

If the family misses the scheduled inspection and fails to reschedule the inspection, BangorHousing will only schedule one more inspection. If the family misses two inspections, BangorHousing will consider the family to have violated a Family Obligation and their assistance will be terminated.

In order for an inspection to take place, someone over the age of 18 must be present representing the household.

20.1 Types of Inspections

There are six types of inspections BangorHousing will perform:

1. Initial Inspection/Pre-Qualifying Unit Inspection - An inspection that must take place to ensure that the unit passes inspection before assistance can begin. However, if BangorHousing conducted an inspection of the unit within 90 days of the participant occupying the unit, and the unit passed inspection, then this prior inspection will have prequalified the unit and an initial inspection will not be necessary. The participant can request an interim or complaint inspection.

2. Annual Inspection - An inspection to determine that the unit continues to meet applicable inspection standards.

3. Complaint Inspection - An inspection caused by the Authority receiving a complaint on the unit by anyone.

4. Special Inspection - An inspection caused by a third party, i.e., HUD, needing to view the unit.

5. Emergency - An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.

6. Quality Control Inspection - Supervisory inspections on at least 5% of the total number of units that were under lease during BangorHousing's previous fiscal year.

20.2 Owner and Family Responsibility

1. Owner Responsibility for inspection standards

   a. The owner must maintain the unit in accordance with applicable housing standards.

   b. If the owner fails to maintain the dwelling unit in accordance with applicable housing standards, the BangorHousing will take prompt and vigorous action to enforce the owner obligations. The BangorHousing's remedies for such breach of the applicable housing standards include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.

   c. The BangorHousing will not make any housing assistance payments for a dwelling unit that fails to meet the applicable housing standards, unless the owner corrects the defect within the period specified by the BangorHousing and the BangorHousing verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30 calendar days (or any BangorHousing approved extension).

   d. The owner is not responsible for a breach of the applicable housing standards that is not caused by the owner, and for which the family is responsible. Furthermore, the BangorHousing may terminate assistance to a family because of the applicable housing standards breach caused by the family.

2. Family Responsibility for applicable housing standards

a. The family is responsible for a breach of the applicable housing standards that is caused by any of the following:

i. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;

ii. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or

iii. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).

b. If an applicable housing standards breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any BangorHousing approved extension).

c. If the family has caused a breach of the applicable housing standards , the BangorHousing will take prompt and vigorous action to enforce the family obligations. The BangorHousing may terminate assistance for the family in accordance with 24 CFR 982.552.

20.3 Housing Quality Standards (HQS) 24 CFR 982.401[9]

This Section states performance and acceptability criteria for these key aspects of the following housing quality standards:

1. Sanitary Facilities

    a. Performance Requirement

[9] BangorHousing currently uses the Housing Quality Standards (HQS) for inspections. Effective October 1, 2025, public housing authorities will begin using the standards contained in the National Standards for Physical Inspection of Real Estate (NSPIRE), found at 88 FR 30442, which amended 24 CFR 982. As of the effective date of NSPIRE, either October 1, 2025 (unless that date is changed) or when BangorHousing adopts and implements the NSPIRE requirements, this section will be repealed and the NSPIRE regulatory requirements will replace this section by reference.

The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.

b. Acceptability Criteria

i. The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

ii. The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.

iii. The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.

iv. The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

2. Food Preparation and Refuse Disposal

a. Performance Requirements

i. The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.

ii. There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

b. Acceptability Criteria

i. The dwelling unit must have an oven, a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. Either the owner or the family may supply the equipment. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.

ii. The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.

iii. The dwelling unit must have space for the storage, preparation, and serving of food.

iv. There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

3. Space and Security

a. Performance Requirement

The dwelling unit must provide adequate space and security for the family.

b. Acceptability Criteria

i. At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

ii. The dwelling unit must have at least one bedroom or living/ sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

iii. Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

iv. The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

4. Thermal Environment

a. Performance Requirement

The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

b. Acceptability Criteria

i. There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

ii. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

5. Illumination and Electricity

a. Performance Requirement

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

b. Acceptability Criteria

i. There must be at least one window in the living room and in each sleeping room.

ii. The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

iii. The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

6. Structure and Materials

a. Performance Requirement

The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

b. Acceptability Criteria

i. Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.

ii. The roof must be structurally sound and weather tight.

iii. The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

iv. The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

v. Elevators must be working and safe., and the current inspection card must be posted in the elevator.

7. Interior Air Quality

a. Performance Requirement

The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

b. Acceptability Criteria

i. The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

ii. There must be adequate air circulation in the dwelling unit.

iii. Bathroom areas must have one window that can be opened or other adequate exhaust ventilation.

iv. Any room used for sleeping must have at least one window. If the window is designed to be opened, the window must work.

8. Water Supply

a. Performance Requirement

The water supply must be free from contamination.

b. Acceptability Criteria

The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

9. Lead-based Paint

a. Definitions

i. Chewable surface: Protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age; for example, protruding corners, window sills and frames, doors and frames, and other protruding woodwork.

ii. Component: An element of a residential structure identified by type and location, such as a bedroom wall, an exterior window sill, a baseboard in a living room, a kitchen floor, an interior window sill in a bathroom, a porch floor, stair treads in a common stairwell, or an exterior wall.

iii. Defective paint surface: A surface on which the paint is cracking, scaling, chipping, peeling, or loose.

iv. Elevated blood level (EBL): Excessive absorption of lead. Excessive absorption is a confirmed concentration of lead in whole blood of 20 ug/dl (micrograms of lead per deciliter) for a single test or of 15-19 ug/dl in two consecutive tests 3-4 months apart.

v. HEPA: A high efficiency particle accumulator as used in lead abatement vacuum cleaners.

vi. Lead-based paint: A paint surface, whether or not defective, identified as having a lead content greater than or equal to 1 milligram per centimeter squared (mg/cm^2), or 0.5 % by weight or 5000 parts per million (PPM).

b. Performance Requirements

i. The purpose of this paragraph of this Section is to implement Section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4822, by establishing procedures to eliminate as far as practicable the hazards of lead-based paint poisoning for units assisted under this part. This paragraph is issued under 24 CFR 35.24(b)(4) and supersedes, for all housing to which it applies, the requirements of subpart C of 24 CFR part 35.

ii. The requirements of this paragraph of this Section do not apply to 0-bedroom units, units that are certified by a qualified inspector to be free of lead-based paint, or units designated exclusively for the elderly. The requirements of subpart A of 24 CFR part 35 apply to all units constructed prior to 1978 covered by a HAP contract under part 982.

iii. If a dwelling unit constructed before 1978 is occupied by a family that includes a child under the age of six years, the initial and each periodic inspection (as required under this part) must include a visual inspection for defective paint surfaces. If defective paint surfaces are found, such surfaces must be treated in accordance with paragraph k of this Section.

iv. BangorHousing may exempt from such treatment defective paint surfaces that are found in a report by a qualified lead-based paint inspector not to be lead-based paint, as defined in paragraph a.6 of this Section. For purposes of this Section, a qualified lead-based paint inspector is a State or local health or housing agency, a lead-based paint inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD.

v. Treatment of defective paint surfaces required under this Section must be completed within 30 calendar days of BangorHousing notification to the owner. When weather conditions prevent treatment of the defective paint conditions on exterior surfaces with in the 30-day period, treatment as required by paragraph k of this Section may be delayed for a reasonable time.

vi. The requirements in this paragraph apply to:

1. All painted interior surfaces within the unit (including ceilings but excluding furniture);

2. The entrance and hallway providing access to a unit in a multi-unit building; and

3. Exterior surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).

vii. In addition to the requirements of paragraph iii of this Section, for a dwelling unit constructed before 1978 that is occupied by a family with a child under the age of six years with an identified EBL condition, the initial and each periodic inspection (as required under this part) must include a test for lead-based paint on chewable surfaces. Testing is not required if previous testing of chewable surfaces is negative for lead-based paint or if the chewable surfaces have already been treated.

viii. Testing must be conducted by a State or local health or housing agency, an inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD. Lead content must be tested by using an X-ray fluorescence analyzer (XRF) or by laboratory analysis of paint samples. Where lead-based paint on chewable surfaces is identified, treatment of the paint surface in accordance with paragraph k of this Section is required, and treatment shall be completed within the time limits in paragraph c of this Section.

ix. The requirements in paragraph vii of this Section apply to all protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age:

1. Within the unit;

2. The entrance and hallway providing access to a unit in a multi-unit building; and

3. Exterior surfaces (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).

x. In lieu of the procedures set forth in paragraph g of this Section, BangorHousing may, at its discretion, waive the testing requirement and require the owner to treat all interior and exterior chewable surfaces in accordance with the methods set out in paragraph k of this Section.

xi. Treatment of defective paint surfaces and chewable surfaces must consist of covering or removal of the paint in accordance with the following requirements:

1. A defective paint surface shall be treated if the total area of defective paint on a component is:

    a. More than 10 square feet on an exterior wall;

    b. More than 2 square feet on an interior or exterior component with a large surface area, excluding exterior walls and including, but not limited to, ceilings, floors, doors, and interior walls;

    c. More than 10% of the total surface area on an interior or exterior component with a small surface area, including, but not limited to, windowsills, baseboards and trim.

2. Acceptable methods of treatment are the following: removal by wet scraping, wet sanding, chemical stripping on or off site, replacing painted components, scraping with infra-red or coil type heat gun with temperatures below 1100 degrees, HEPA vacuum sanding, HEPA vacuum needle gun, contained hydroblasting or high-pressure wash with HEPA vacuum, and abrasive sandblasting with HEPA vacuum. Surfaces must be covered with durable materials with joint edges sealed and caulked as needed to prevent the escape of lead contaminated dust.

3. Prohibited methods of removal are the following: open flame burning or torching, machine sanding or grinding without a HEPA exhaust, uncontained hydroblasting or high-pressure wash, and dry scraping except around electrical outlets or except when treating defective paint spots no more than two square feet in any one interior room or space (hallway, pantry, etc.) or totaling no more than twenty square feet on exterior surfaces.

4. During exterior treatment soil and playground equipment must be protected from contamination.

5. All treatment procedures must be concluded with a thorough cleaning of all surfaces in the room or area of treatment to remove fine dust particles. Cleanup must be accomplished by wet washing surfaces with a lead solubilizing detergent such as trisodium phosphate or an equivalent solution.

6. Waste and debris must be disposed of in accordance with all applicable Federal, State, and local laws.

xii. The owner must take appropriate action to protect residents and their belongings from hazards associated with treatment procedures. Residents must not enter spaces undergoing treatment until cleanup is completed. Personal belongings that are in work areas must be relocated or otherwise protected from contamination.

xiii. Prior to execution of the HAP contract, the owner must inform BangorHousing and the family of any knowledge of the presence of lead-based paint on the surfaces of the residential unit.

xiv. BangorHousing must attempt to obtain annually from local health agencies the names and addresses of children with identified EBLs and must annually match this information with the names and addresses of participants under this part. If a match occurs, BangorHousing must determine whether local health officials have tested the unit for lead-based paint. If the unit has lead-based paint, BangorHousing must require the owner to treat the lead-based paint. If the owner does not complete the corrective actions required by this Section, the family must be issued a voucher to move.

xv. BangorHousing must keep a copy of each inspection report for at least three years. If a dwelling unit requires testing, or if the dwelling unit requires treatment of chewable surfaces based on the testing, BangorHousing must keep the test results indefinitely and, if applicable, the owner certification and treatment. The records must indicate which chewable surfaces in the dwelling units have been tested and which chewable surfaces were tested or tested and treated in accordance with the standards prescribed in this Section, such chewable surfaces do not have to be tested or treated at any subsequent time.

xvi. The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

10. Access

a. Performance Requirement

The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

11. Site and Neighborhood

a. Performance Requirement

The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

b. Acceptability Criteria

The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

12. Sanitary Condition

a. Performance Requirement

The dwelling unit and its equipment must be in sanitary condition.

b. Acceptability Criteria

The dwelling unit and its equipment must be free of vermin and rodent infestation.

13. Smoke Detectors

a. Performance Requirements

i. Except as provided in paragraph b below of this Section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

ii. For units assisted prior to April 24, 1993, owners who installed battery-operated or hard-wired smoke detectors prior to April 24, 1993, in compliance with HUD's smoke detector requirements, including the regulations published on July 30, 1992 (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (i.e., the owner would not be required to install a smoke detector in a basement not used for living purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).

19.4 Lead-Based Paint Requirements and Responsibilities

1. Exempt Units

The following units are exempt from this policy as it relates to lead-based paint requirements:

a. Units built after December 31, 1977;

b. Zero (0) bedroom and Single Room Occupancy (SRO) units;

c. Housing built for the elderly or persons with disabilities, unless a child of under age six (6) resides or is expected to reside in such housing;

d. Properties for which a paint inspection was completed in accordance with the new regulations that became effective on September 15, 2000, and are certified to have no lead-based paint;

e. Properties in which all lead-based paint was identified, was removed, and that received clearance in accordance with the new regulations which became effective on September 15, 2000.

2. Non-Exempt or Covered Units

For dwellings built <u>before</u> January 1, 1978, and occupied or to be occupied by assisted families with one or more children under age six (6), lead-based paint requirements apply to:

a. The unit interior and exterior paint surfaces associated with the assisted unit: and

b. The common areas servicing the unit, including those areas through which residents must pass to gain access to the unit, and other areas frequented by resident children less than six (6) such as play areas, and child care facilities. Common areas also include garages and fences on the assisted property.

3. Responsibilities of the BangorHousing and the Owner

a. The BangorHousing is responsible for the following activities:

i. The visual assessment for deteriorated paint (i.e., peeling, chipping, flaking) surfaces at initial and annual inspections;

ii. Assuring that clearance examinations are conducted when required;

iii. Carrying out special requirements for children under age six who have environmental intervention blood lead levels as verified by a medical health care provider;

iv. Collecting data from the local health department on program participants under age six who have identified environmental intervention blood lead levels; and

v. Record keeping.

b. Owners of units to be or that are assisted have the responsibility to:

i. Disclose known lead-based paint hazards to all potential residents prior to execution of a lease;

ii. Provide all prospective families with a copy of Protect Your Family from Lead in Your Home or other EPA approved document;

iii. When necessary, perform paint stabilization to correct deteriorated paint;

iv. Each time paint stabilization is performed, notify the resident about the conduct of lead hazard reduction activities and clearance (if required);

v. Conduct lead hazard reduction activities when required by the BangorHousing;

vi. Perform all work in accordance with HUD prescribed safe work practices and conduct clearance activities when required; and

vii. Perform ongoing maintenance. As part of ongoing maintenance, the owner must provide written notice to each assisted family asking the occupants to report deteriorated paint. The notice must include the name, address, and phone number of the person responsible for accepting the occupant's complaint.

Before the execution of the lease the owner is required to disclose any knowledge of lead-based paint or lead-based paint hazards in housing built prior to 1978 to all prospective residents. The BangorHousing will keep a copy of the disclosure notice executed by the owner and resident in the participant's file. The owner will keep the original disclosure notice and forward a copy of the notice to the BangorHousing.

4. Qualified Inspector

An HQS inspector may conduct the inspection or other party designated by the BangorHousing. All inspectors must have been trained in visual assessment in accordance with procedures established by HUD.

5. Visual Assessment for Deteriorated Paint

The BangorHousing during the conduct of initial, annual and any special inspections of pre-1978 units that are occupied or will be occupied by families with children under 6 years of age. The BangorHousing will conduct a visual inspection for deteriorated paint surfaces at these locations:

a. All unit interior and exterior painted surfaces associated with the assisted unit; and

b. Common areas such as common hallways, access and egress areas, playgrounds, child-care facilities, or other areas including fences and garages frequented by children under age six.

6. Stabilization of Deteriorated Paint Surfaces

When the HQS Inspector or other designated party identifies deteriorated paint surfaces (defined as interior or exterior paint or other coating that is peeling, chipping, flaking, cracking, is otherwise damaged or has separated from the substrate of the surface or fixture), the BangorHousing will notify and require the owner to perform stabilization of the surfaces within thirty (30) calendar days of the notification by the BangorHousing's inspection for occupied units and before commencement of any assisted tenancy.

Owner requirements for compliance with the BangorHousing's paint stabilization differ, depending upon the amount of deteriorated paint surface to be corrected. The use of lead-safe work practices during paint stabilization activities are differentiated characterized as above or below de minimis levels.

De minimis deteriorated paint surfaces are exceeded when one of the following occurs:

a. 20 square feet on exterior surfaces;

b. 2 square feet on an interior surface in a single room or interior space; or

c. percent of individual small components (e.g., windowsills) on the interior or exterior.

Owners must perform paint stabilization on all deteriorated paint surfaces. Paint stabilization is defined as:

a. Repair of any physical defect in the substrate of the painted surface or building component. Examples of defective substrate conditions include dry-rot, rust, moisture-related defects, crumbling plaster, missing siding, or other components not securely fastened;

b. Removal of all loose paint and other loose material from the surface being treated; and

c. Application of a new protective coat of paint to the stabilized surface.

In no instance may an owner employ any paint stabilization methods that are strictly prohibited by federal, state, or local law such as:

a. Open flame burning and torching;

b. Machine-sanding or grinding without a high-efficiency particulate air (HEPA) local exhaust control;

c. Heat guns operating above 1,100 degrees Fahrenheit;

d. Abrasive blasting or sandblasting with HEPA exhaust control;

e. Dry sanding and scraping except limited conditions stated above for limited areas; and

f. Paint stripping in poorly ventilated space using a volatile stripper or a hazardous chemical as defined by Occupational Safety and Health Administration (OSHA).

Failure to comply with paint stabilization requirements, regardless of the amount of deteriorated surface, will results in the disapproval of the tenancy, abatement of payment to the owner, and/or termination of the HAP contract.

In addition, in order to be in compliance with HUD lead-based paint requirements if the deteriorated paint surface exceeds the de minimis level, the owner <u>must</u>:

a. Conduct all stabilization activities with trained staff;

b. Employ acceptable methods for preparing the surface to be treated, including wet scraping, wet sanding, and power sanding performed in conjunction with a HEPA filtered local exhaust attachment operated according to manufacturer's instruction;

c. Not dry sand or dry scrape within one (1) square foot of electrical outlets;

d. Protect the occupants and their belongings from contamination;

e. Notify the occupants within fifteen (15) calendar days of stabilization activity and provide the results of the clearance examination.

Clearance Activities:

The BangorHousing will be responsible for clearance activities. All clearance activities will be performed by persons who have EPA or state-approved training and are licensed or certified to perform clearance examinations.

The BangorHousing will pay for the costs of the first clearance examination. If further clearance examinations are required, the owner is responsible to cover the costs of subsequent tests.

The owner must provide the BangorHousing with an executed copy of the Lead-Based Paint Owner's Certification for the HQS violation for paint stabilization to be considered closed.

Below de minimis deteriorated paint surfaces:

If the amount of deteriorated paint is below the de minimis level, owners will not be required to perform lead-safe work practices and clearance, but owners must perform paint stabilization as follows:

a. Repair of any physical defect in the substrate of the painted surface or building component. Examples of defective substrate conditions include dry-rot, rust, moisture-related defects, crumbling plaster, missing siding, or other components not securely fastened;

b. Removal of all loose paint and other loose material from the surface being treated; and

c. Application of a new protective coat of paint to the stabilized surface.

In no instance may an owner employ any paint stabilization methods that are strictly prohibited by federal, state, or local law such as:

a. Open flame burning and torching;

b. Machine-sanding or grinding without a high-efficiency particulate air (HEPA) local exhaust control;

c. Heat guns operating above 1,100 degrees Fahrenheit;

d. Abrasive blasting or sandblasting with HEPA exhaust control;

e. Dry sanding and scraping except limited conditions stated above for limited areas; and

f. Paint stripping in poorly ventilated space using a volatile stripper or a hazardous chemical as defined by Occupational Safety and Health Administration (OSHA).

Failure to comply with paint stabilization requirements, regardless of the amount of deteriorated surface, results in disapproval of the tenancy, abatement of payment to the owner, and/or termination of the HAP contract.

Clearance Activities:

The owner must provide the BangorHousing with an executed copy of the Lead-Based Paint Owner's Certification for the HQS violation for paint stabilization to be considered closed.

7. Requirements for Children with Environmental Intervention Blood Lead Level

Should the BangorHousing receive information regarding an environmental intervention blood lead level child under age six from the family, owner, or other sources not associated with the medical health community, BangorHousing will immediately verify the information with a public health department or other medical health care provider.

If either the public health department or private medical health agency provides verification that the child has an environmental intervention blood lead level, the BangorHousing will proceed to complete a risk assessment of the unit, common areas and exterior surfaces as outlined in Subsection 8 below. This requirement does not apply if the public health department has already conducted an evaluation between the date the child's blood was last sampled and the receipt of notification of the child's condition.

If BangorHousing receives a report of an environmental intervention blood lead level child from any source other than the public health department, the BangorHousing will notify the public health department with five (5) business days.

HUD has defined environmental intervention blood lead level as a confirmed concentration of lead in whole blood equal or greater than 20 ug/dL (micrograms of lead per deciliter) for a single test or 15-19 ug/dL in two tests taken at least three (3) months apart in children under age six.

8. Risk Assessment

Within fifteen (15) calendar days of the notification to BangorHousing by a public health department or medical health care provider, BangorHousing will complete a risk assessment of the dwelling unit, including common areas servicing the dwelling unit, if the child lived in the unit at the time the child's blood was sampled. If the public health department has already conducted an evaluation between the date the child's blood was last sample and the receipt of notification of the child's condition, the risk assessment by the BangorHousing is not required.

The BangorHousing will only utilize persons trained and certified by an EPA or state-approved agency to perform risk assessments. The risk assessment will identify the appropriate method of correction if correction is required.

The risk assessment will involve an on-site investigation to determine the existence, nature, severity, and location of lead-based paint hazards. The investigation will include dust and soil sampling, visual evaluation, and may include paint inspections (tests for lead in paint). The assessor will issue a report to BangorHousing explaining the results of the investigation, as well as option and requirements for reducing lead-based paint hazards. Upon receipt of the risk assessment, BangorHousing shall immediately notify the owner of its results.

The owner must notify the building residents of the results of the risk assessment within fifteen (15) calendar days of receipt of the risk assessment results from BangorHousing.

9. Hazard Reduction

The owner must complete reduction of identified lead-based paint hazards as identified in the risk assessment as outlined in Subsection 8 of this Section within thirty (30) calendar days (or date specified by the BangorHousing if an extension is granted for exterior surfaces).

Hazard reduction activities may include paint stabilization, abatement, interim controls, or dust and soil contamination control. The appropriate method of correction will be identified in the risk assessment.

Hazard reduction will be considered complete by BangorHousing when a clearance examination has been completed and the report indicates that all identified hazards have been treated and clearance has been achieved, or when the public health department certifies that the hazard reduction is complete.

The owner must notify all building residents of any hazard reduction activities within fifteen (15) calendar days of completion of activities.

Like paint stabilization compliance, when BangorHousing receives the owner's certification, this will signal compliance with lead hazard reduction activities.

Failure by the owner to complete hazard reduction activities (including clearance) within thirty (30) calendar days (or later if BangorHousing grants an extension for exterior surfaces) of notification constitutes a violation of HQS, and appropriate action against the owner will be taken if a program family occupies the unit. If the unit is vacant when BangorHousing notifies the owner, the unit may not be reoccupied by another assisted family, regardless of the ages of children in the family, until compliance with the lead-based paint requirement is completed.

10. BangorHousing Data Collection and Record Keeping

Quarterly, the BangorHousing will attempt to obtain from the public health department having jurisdiction in the same area as BangorHousing, the names and addresses of children under age six with an identified environmental intervention blood lead level.

BangorHousing will match information received from the health department with information about program families. If a match occurs, BangorHousing will follow all procedures for notifying owners and conducting risk assessments as stated above.

Quarterly, BangorHousing will report a list of addresses of units occupied by children under age six, receiving assistance to the public health department, unless the health department indicates in writing that such a report is not necessary.

BangorHousing will inform owners of lead-based paint regulations especially those related to prohibited and safe work practices, resident protection during lead-based paint activities, and notification requirements. This will be accomplished through written material provided by BangorHousing.

The BangorHousing is responsible for issuing and maintaining in the file the notification to the owner of any needed corrections and appropriate methods to correct lead hazards, and of the deadline for completing the corrections.

The BangorHousing will track all known environmental intervention blood lead level children (of program families) until the child reaches age six. This will assure that all BangorHousing required activities are being addressed in a timely manner and that inspections conducted on behalf of the family will include the inspection for deteriorated paint.

20.5 Exceptions to the HQS Acceptability Criteria

The BangorHousing will utilize the acceptability criteria as outlined above with applicable State and local codes. Additionally, the BangorHousing has received HUD approval to require the following additional criteria:

1. In each room, there will be at least one exterior window that can be opened and that contains a screen.

2. Owners will be required to scrape peeling paint and repaint all surfaces cited for peeling paint with 2 coats of non-lead paint. An extension may be granted as a severe weather-related item as defined below.

3. Adequate heat shall be considered to be 68 degrees.

4. In units where the tenant must pay for utilities, each unit must have separate metering device(s) for measuring utility consumption.

5. A ¾" overflow pipe must be present on the hot water heater safety valves.

20.6 Time Frames and Corrections of HQS Fail Items

1. Correcting Initial HQS Fail Items

The BangorHousing will schedule a timely inspection of the unit on the date the owner indicates that the unit will be ready for inspection, or as soon as possible thereafter (within 5 business days) upon receipt of a Request for Tenancy Approval. The owner will be notified in writing of the results of the inspection. If the unit fails HQS again, the owner and the participant will be advised to notify the BangorHousing to reschedule a re-inspection when the repairs have been properly completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as failed, depending on the extent of the repairs that are required to be made. No unit will be placed in the program until the unit meets the HQS requirements.

2. HQS Fail Items for Units under Contract

The owner or participant will be given time to correct the failed items cited on the inspection report for a unit already under contract. If the failed items endanger the family's health or safety (using the emergency item list in Section 12.6), the owner or participant will be given 24 hours to correct the violations. For less serious failures, the owner or participant will be given up to 30 days to correct the failed item(s).

If the owner fails to correct the HQS failed items after proper notification has been given, the BangorHousing will abate payment and terminate the contract in accordance with Sections 12.7 and 17.0(B)(3).

If the participant fails to correct the HQS failed items that are family-caused after proper notification has been given, the BangorHousing will terminate assistance for the family in accordance with Sections 12.2(B) and 17.0(B)(3).

3. Time Frames for Corrections

   a. Emergency repair items must be abated within 24 hours.

   b. Repair of refrigerators, range and oven, or a major plumbing fixture supplied by the owner must be abated within 72 hours.

   c. Non-emergency items must be completed within 10 days of the initial inspection.

   d. For major repairs, the owner will have up to 30 days to complete.

4. Extensions

At the sole discretion of the BangorHousing, extensions of up to 30 days may be granted to permit an owner to complete repairs if the owner has made a good faith effort to initiate repairs. If repairs are not completed within 60 days after the initial inspection date, the BangorHousing will abate the rent and cancel the HAP contract for owner noncompliance. Appropriate extensions will be granted if a severe weather condition exists for such items as exterior painting and outside concrete work for porches, steps, and sidewalks.

20.7 Emergency Fail Items

The following items are to be considered examples of emergency items that need to be abated within 24 hours:

1. No hot or cold water

2. No electricity

3. Inability to maintain adequate heat

4. Major plumbing leak

10. Natural gas leak

11. Broken lock(s) on first floor doors or windows.

12. Broken windows that unduly allow weather elements into the unit

13. Electrical outlet smoking or sparking

14. Exposed electrical wires which could result in shock or fire

15. Unusable toilet when only one toilet is present in the unit

16. Security risks such as broken doors or windows that would allow intrusion

17. Other conditions which pose an immediate threat to health or safety

20.8 Abatement

When a unit fails to meet HQS and the owner has been given an opportunity to correct the deficiencies, but has failed to do so within in the required timeframe, the rent for the dwelling unit will be abated.

The initial abatement period will not exceed 7 days. If the corrections of deficiencies are not made within the 7-day timeframe, the abatement will continue until the HAP contract is terminated. When the deficiencies are corrected, the BangorHousing will end the abatement the day the unit passes inspection. Rent will resume the following day and be paid the first day of the next month.

For tenant caused HQS deficiencies, the owner will not be held accountable and the rent will not be abated. The tenant is held to the same standard and timeframes for correction of deficiencies as owners. If repairs are not completed by the deadline, the BangorHousing will send a notice of termination to both the tenant and the owner. The tenant will be given the opportunity to request an informal hearing.

21.0 REEXAMINATION

21.1 Changes in Lease or Rent

If the participant and owner agree to any changes in the lease, all changes must be in writing, and the owner must immediately give the BangorHousing a copy of the changes. The lease, including any changes, must be in accordance with this Administrative Plan.

Owners must notify the BangorHousing of any changes in the amount of the rent at least sixty (60) days before the changes go into effect. Any such changes are subject to the BangorHousing determining them to be reasonable.

Assistance shall not be continued unless the BangorHousing has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner if any of the following changes are made:

1. Requirements governing participant or owner responsibilities for utilities or appliances;

2. In the lease terms governing the term of the lease;

3. If the participant moves to a new unit, even if the unit is in the same building or complex.

The approval of the BangorHousing is not required for changes other than those specified above.

21.2 Annual Reexamination

At least annually BangorHousing will conduct a reexamination of family income and circumstances. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family subsidy is correct based on the family unit size.

BangorHousing will send a notification letter to the family letting them know that it is time for their annual reexamination and scheduling an appointment, or advising them they can mail their forms for streamline processing. The letter includes forms for the family to complete in preparation for the interview. The letter includes instructions permitting the family to reschedule the interview if necessary. The letter tells families who may need to make alternate arrangements due to a disability that they may contact staff to request an accommodation of their needs.

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. Every year, BangorHousing will fully verify asset and income information reported by the family.

When fully verifying assets, BangorHousing will obtain a minimum of 3 account statements to verify the balance and any interest on accounts, including any checking and savings accounts.

On or after January 1, 2024, a participant over the age of 18 must sign and submit consent forms, including but not limited to the HUD-9886 form at their next interim or regularly scheduled income reexamination. After all applicants or participants over the age of 18 in a family have signed and submitted a consent form once on or after January 1, 2024, family members do not need to sign and submit subsequent consent forms at the next interim or regularly scheduled income examination except under the following circumstances: (i) When any person 18 years or older becomes a member of the family, that family member must sign and submit a consent form; (ii) When a member of the family turns 18 years of age, that family member must sign and submit a consent form; or (iii) As required by HUD or BHA BangorHousing in administrative instructions.

An executed consent form (Form HUD-9886) will remain effective until the family is denied assistance, the assistance is terminated, or the family (or members of the family) revokes the consent form. While families (and members of the family) have the right to revoke consent forms, revoking consent will result in the termination or denial of assistance.

Upon receipt of verification, BangorHousing will determine the family's annual income and will calculate their family share.

Also, during the recertification, each household shall be asked whether any member is subject to the lifetime registration requirement under a state registration program. BangorHousing will verify this information using the Dru Sjodin National Sex Offender Database and document this information in the same method used at admission. For any admissions after June 25, 2001 (the effective date of the Screening and Eviction for Drug Abuse and Other Criminal Activity final rule), if the recertification screening reveals that the tenant or a member of the tenant's household is subject to a lifetime sex offender registration requirement, or that the tenant has falsified information or otherwise failed to disclose his or her criminal history on their application and/or recertification forms, BangorHousing will pursue termination of subsidy.

If a family is about to have their subsidy terminated based on either the criminal check or the sex offender registration program, the family will be informed of this fact and given an opportunity to dispute the accuracy of the information before the termination occurs.

21.3 Effective Date of Rent Changes for Annual Reexaminations

The new family share will generally be effective upon the anniversary date with 45 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 after the required 45 days' notice. If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective 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 45-day notice is waived for repayment purposes and can be calculated to the date the increase would have been effective.

21.4 Missed Appointments

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in the BangorHousing taking action to terminate the family's assistance.

21.5 Interim Reexaminations and Reporting Changes[10] **(SEE NOTE BELOW)**

Families must report, in writing, all changes in family income, decreases in allowable expenses, or composition within 10 business days from the effective date of the change to be considered timely.
When a family timely reports a change in family income or composition that will result in an increase in tenant rent, the family will be provided a minimum of 30 days' notice of the rent increase, or more if required by law, The rent increase will be effective on the first day of the month following the end of the applicable notice period.

When a family timely reports a change in family income or composition that would result in a decrease in tenant rent, the decrease will be effective on the first day of the month after the date of the actual change leading to interim reexamination of family income.

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[10] Portions of this section will only be implemented pending further guidance from HUD and following notice to the public. BangorHousing may look to the provisions of its 2024 Admin Plan for further direction regarding the relevant policies in this section.

When a family does not timely report a change in family income or composition that will result in an increase in tenant rent, that increase will be applied retroactively to the first of the month following the date of the change. The family will owe BangorHousing the difference between the rent paid and the higher rental amount owed for each month from the time in the change in circumstance through the date of the interim reexamination.

When a family does not timely report a change in family income or composition that would result in a decrease in tenant rent, BangorHousing will apply the decrease no earlier than the first of the month following completion of the reexamination, unless the family's failure to report the change was due to circumstances outside of the family's control (e.g., medical emergency, natural disaster, employer wage theft, disruptions to BangorHousing's operations).

If BangorHousing has determined that the late report was outside of the family's control, then it may apply the decrease retroactively to the later of the first of the month following the date of the actual decrease or the effective date of the most recent admission, interim, or annual income examination.

BangorHousing will conduct an interim reexamination when it becomes aware that the family's adjusted income has changed by an amount that is estimated to result in a decrease of at least 10% of the family's annual adjusted income. Calculated percentage decreases less than 10% will be rounded up to the nearest whole number (e.g., a 9.5% decrease will be rounded up to 10% and a 9.4% decrease will be rounded down to 9%). BangorHousing will conduct a reexamination for all decreases in adjusted income when a family member permanently moves out of the unit.

BangorHousing will conduct an interim reexamination when the family reports a change in adjusted income that will result in an increase of 10% or more in annual adjusted income, except:

a. BangorHousing will not consider any increase in the earned income of the family when estimating or calculating whether the family's adjusted income has increased unless the family had a previous interim reexamination where the family's income, of any type, decreased during the same reexamination schedule.

b. BangorHousing will not conduct an interim reexamination due to increases in annual adjusted income in the 3 months before the family's next regular annual examination.

1. Family break-up

In circumstances of a family break-up, the BangorHousing will make a determination of which family member will retain the voucher, taking into consideration the following factors:

c. To whom the voucher was issued.

d. The interest of minor children or of ill, elderly, or disabled family members.

e. Whether the assistance should remain with the family members remaining in the unit.

f. If the family break-up results from an occurrence of domestic violence, dating violence, stalking, or sexual assault, the BangorHousing will ensure that the victim retains assistance. The factors to be considered in making this decision include:

   i. Whether the assistance should remain with family members remaining in the original assisted unit.

   ii. The interest of minor children or of ill, elderly, or disabled family members.

   iii. Whether family members are forced to leave the unit as a result of actual or threatened domestic violence, dating violence, stalking or sexual assault.

   iv. Whether any of the family members are receiving protection as victims of domestic violence, dating violence, stalking, or sexual assault and whether the abuser is still in the household.

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement of judicial decree, BangorHousing will be bound by the court's determination of which family members continue to receive assistance in the program.

Because of the number of possible different circumstances in which a determination will have to be made, BangorHousing will make determinations on a case by case basis.

BangorHousing will issue a determination within 10 business days of the request for a determination. The family member requesting the determination may request an informal hearing as provided in this Admin Plan.

21.6 Special Reexaminations

If a family's income is too unstable to project for twelve (12) months, including families that temporarily have no income (0 renters) or have a temporary decrease in income, BangorHousing may schedule special reexaminations every thirty (30) days until the income stabilizes and an annual income can be determined.

21.7 Effective Date of Rent Changes Due to Interim or Special Reexaminations

If the family has reported a change in family income or composition in a timely manner, BangorHousing will provide 60 days advance notice of any family share and family rent to owner increases. Such increases will be effective the first day of the month beginning after the end of the 60 day period. If the family causes a delay, then the rent increase will be effective with 60 days' notice to the family. However, the repayment will be retroactive to the original effective date had the delay not occurred.

If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first of the month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first of the month after the rent amount is determined.

BangorHousing will always process an interim increase in rent if it found that the resident at an annual or interim reexamination has misrepresented or failed to report the facts upon which the rent is based so that the rent the resident is paying is less than the rent that he/she should have been charged. BangorHousing will provide the tenant with the required 45 days' notice of the increase. However, the tenant will have to repay retroactive to the effective date if the delay had not occurred. Failure to report accurate information is also grounds for initiating termination proceedings.

21.8 BangorHousing Mistakes in Calculating Rent

If BangorHousing becomes aware of an income calculation error retroactive to the effective date of the action resulting in an error regardless of the dollar amount associated with the error.

Families will not be required to repay BangorHousing when BangorHousing miscalculated income resulting in a family being undercharged for rent if the miscalculation is not the fault of the family. When BangorHousing becomes aware of the error, the family will be provided with a notice of an increase to their rent portion, which notice will be given in accordance with federal, state, and local law.

BangorHousing will take corrective action to credit or repay a family if the family was overcharged tenant rent, including de minimis errors (e.g., when the family's income deviates by no more than $30 per month), in the income determination. In such cases, BangorHousing will provide an immediate credit toward the family's rent. If the amount of the credit would be more than the rent due to BangorHousing, BangorHousing will carry over that credit to the next month or months until the credit has been exhausted.

22.0 TERMINATION OF ASSISTANCE TO THE FAMILY BY BangorHousing

BangorHousing may at any time terminate program assistance for a participant for the reasons contained in Section 10 of this Admin Plan.

22.1 The EIV's Deceased Tenants Report

BangorHousing shall generate the EIV's Deceased Tenants Report monthly shortly before disbursing HAP payments to owners to see if the system flags deceased residents. BangorHousing shall review the report and follow up with any listed families immediately and take any necessary corrective action as set forth in PIH Notice 2010-50 or successor publications.

If it is a single member household, notify the owner in writing of the deceased Head of Household and suspend HAP payments for any month following the month in which the death occurred. If the property is occupied by a live-in-aide to the deceased person, the assistance will end and the landlord and aide must decide on the future of the aide's tenancy.

If an owner received HAP for any month in which the owner was ineligible to receive HAP because of a deceased tenant, the BangorHousing will immediately notify the owner in writing of the ineligible HAP and require the owner to repay the overpayment within 30 days. If the owner does not comply, the BangorHousing will deduct the amount due to the Agency from any amounts due to the owner under any other HAP contract. If there is no other HAP contract with the owner, the BangorHousing may seek and obtain additional relief by judicial order or action in accordance with state and local laws.

If the remaining member of a tenant family is a minor or minors, it may be necessary for an adult to temporarily move into a unit to serve as a guardian for children residing in the unit. The income received by the temporary guardian will be counted in determining family income. Although typically a criminal background check is required before anyone can receive Housing Choice Voucher assistance, this requirement will be waived for a guardian in this situation. Instead, the background check will occur after the person moves in. If the results of the check dictate that the person is ineligible for the program, the family shall be given a reasonable time to find a replacement guardian or lose the assistance.

23.0 COMPLAINTS, INFORMAL REVEIWS FOR APPLICANTS, HEARINGS FOR PARTICIPANTS

23.1 Complaints

BangorHousing will investigate and respond to complaints by participant families, owners, and the general public. BangorHousing may require that complaints other than HQS violations be put in writing. Anonymous complaints are investigated whenever possible.

23.2 Informal Review for the Applicant

1. Informal Review for the Applicant

BangorHousing will give an applicant for participation in the HCV Existing Program prompt notice of a decision denying assistance to the applicant. The notice will contain a brief statement of the reasons for BangorHousing decision. The notice will state that the applicant may request an informal review within 7 business days of the denial and will describe how to obtain the informal review. Before BangorHousing denies admission to the HCV program on the basis of a criminal record, BangorHousing must notify the household of the proposed action and must provide the person with the criminal record. And the (head of household) c copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record. The applicant will have ten (10) calendar days to dispute the accuracy and relevance of the record in writing. If BangorHousing does not receive the dispute within the allotted time, the applicant will be denied.

2. When an Informal Review is not Required

The BangorHousing will not provide the applicant an opportunity for an informal review for any of the following reasons:

a. A determination of the family unit size under the BangorHousing subsidy standards.

b. A BangorHousing determination not to approve an extension or suspension of a voucher term.

c. A BangorHousing determination not to grant approval to lease a unit under the program or to approve a proposed lease.

d. A BangorHousing determination that a unit selected by the applicant is not in compliance with HQS.

e. A BangorHousing determination that the unit is not in accordance with HQS because of family size or composition.

f. General policy issues or class grievances.

g. Discretionary administrative determinations by the BangorHousing.

3. Informal Review Process

The BangorHousing will give an applicant an opportunity for an informal review of the BangorHousing decision denying assistance to the applicant. The procedure is as follows:

c. The review will be conducted by any person or persons designated by the BangorHousing other than the person who made or approved the decision under review or a subordinate of this person.

d. The applicant will be given an opportunity to present written or oral objections to the BangorHousing decision.

e. The BangorHousing will notify the applicant of the BangorHousing decision after the informal review within 14 calendar days. The notification will include a brief statement of the reasons for the final decision.

4. Considering Circumstances

In deciding whether to terminate assistance because of action or inaction by members of the family, BangorHousing may consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

BangorHousing may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. BangorHousing may permit the other members of a participant family to continue receiving assistance.

If BangorHousing seeks to terminate assistance because of illegal use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that

BangorHousing provides notice to the family of BangorHousing determination to deny or terminate assistance. In determining whether to terminate assistance for these reasons the BangorHousing will consider evidence of whether the household member:

a. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;

b. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or

c. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.

5. Informal Review Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The applicant family may request that the BangorHousing provide for an informal review after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the applicant family within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

For applicant families, the Informal Review Process above will be utilized with the exception that the applicant family will have up to 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or of the INS appeal decision to request the review.

23.3 Grievance Hearings for Participants

BangorHousing will follow the public housing grievance policy for HCV participants.

23.4 Project-Based Vouchers

For units assisted with a Project-Based Voucher or a RAD Project-Based Voucher, residents will receive procedural rights required under federal law and their lease.

24.0 TERMINATION OF THE LEASE AND CONTRACT

The term of the lease and the term of the HAP contract are the same. They begin on the same date and they end on the same date. The lease may be terminated by the owner, by the tenant, or by the mutual agreement of both. The owner may only terminate the contract by terminating the lease. The HAP contract may be terminated by BangorHousing. Under some circumstances the contract automatically terminates.

1. Termination of the Lease

    a. By the family

    The family may terminate the lease without cause upon proper written notice to the owner and to the BangorHousing after the initial lease term. The length of the notice that is required is stated in the lease (generally 30 days).

    b. By the owner

The owner may terminate the lease on the grounds set forth in 24 CFR 982.310, which are discussed below.

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person in accordance with this section if the owner determines that the covered person has engaged in the criminal activity. This determination shall be made on a preponderance of the evidence. The fact that there has been an arrest for crime is not a basis for the requisite determination that the relevant individual engaged in criminal activity warranting termination of tenancy or eviction pursuant to this section (see 24 CFR part 5, subpart J for provisions concerning access to criminal records). The owner may terminate tenancy and evict by judicial action based on the conduct underlying an arrest of the conduct indicates that the individual is not suitable for tenancy and the owner has sufficient evidence, other than the fact of arrest that the individual engaged in the conduct..

If the law and regulation permit the owner to take an action but do not require action to be taken, the owner may take or not take the action in accordance with the owner's standards for eviction. The owner may consider all of the circumstances relevant to a particular eviction case, such as:

i. The nature and circumstances of the conduct in question, including the seriousness of the offense and the extent to which it bears on fitness for continued tenancy;;

ii. The effect on the community of eviction or the failure of the owner to take such action;

iii. The extent of participation by the leaseholder in the conduct;

iv. The effect of eviction on household members not involved in the offending activity;

v. The extent to which the leaseholder has taken reasonable steps to prevent or mitigate the offending action.;

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

Where eviction would be based on a finding that an individual is currently engaging in or has engaged in criminal activity, illegal drug use, or alcohol abuse, the owner may consider any relevant circumstances described in 24 CFR 982.310(h)(1)(i) through (v) and may also consider any of the following:

i. Whether the relevant circumstances provide reason to believe such conduct will recur and rise to the level that it may interfere with the health, safety, or right to peaceful enjoyment of the premises by others. Relevant evidence may include evidence by the household that a household member has successfully completed substance use treatment services or has been otherwise rehabilitated successfully, along with evidence that the illegal use of a controlled substance or abuse of alcohol (as applicable) has not recurred. For this purpose, the owner may require the applicant to submit evidence of the household member's current participation in, or successful completion of, substance use treatment services or that the household member is otherwise in recovery from drug use or alcohol abuse; and.

ii. Whether the leaseholder would like the owner to consider mitigating circumstances related to a medical condition of a household member..

The owner may require applicant (or tenant) to exclude a household member from residing in the unit in order to be admitted to the housing program (or continue to reside in the assisted unit) if the owner determines that household member has participated in or been culpable for, based on preponderance of the evidence, action or failure to act that warrants denial (or termination). The fact that there has been an arrest is not a basis for the requisite determination that the relevant individual participated in or was culpable for the action of failure to act, but the conduct that resulted in the arrest can be such a basis provided there's sufficient evidence that it occurred independent of the fact of arrest.

The owner's termination of assistance actions must be consistent with the fair housing and equal opportunity provision of 24 CFR 5.105.

The owner may terminate the lease during its term on the following grounds:

i. Serious violation (including but not limited to failure to pay rent or other amounts due under the lease) or repeated violation of the terms and conditions of the lease; Serious or repeated violations of the terms or conditions of the lease;

ii. Violation of Federal, State, or local law that imposes obligations on the participant in connection with the occupancy or use of the premises;

iii. Other good cause.

vi. Other good cause. Other good cause may include, but is not limited to:

1. Failure by the family to accept the offer of a new lease;

2. Family history of disturbances of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the property or unit;

3. The owner's desire to utilize the unit for personal or family use or for a purpose other than use as a residential rental unit;

4. A business or economic reason such as sale of the property, renovation of the unit, desire to rent at a higher rental amount.

i. During the first year the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.

ii. The owner may only evict the participant by instituting court action after or simultaneously providing written notice to the participant specifying the grounds for termination. The owner must give BangorHousing a copy of any owner eviction notice to the participant at the same time that the owner gives the notice to the participant.

iii. The owner may terminate the contract at the end of the initial lease term or any extension of the lease term without cause by providing notice to the family that the lease term will not be renewed.

c. By mutual agreement

The family and the owner may at any time mutually agree to terminate the lease, in writing and signed by both parties.

2. Termination of the Contract

a. Automatic termination of the contract

i. If the BangorHousing terminates assistance to the family, the contract terminates automatically.

ii. If the family moves out of the unit, the contract terminates automatically.

iii. 180 calendar days after the last housing assistance payment to the owner.

b. Termination of the contract by the owner

The owner may only terminate tenancy in accordance with the lease and State and local law.

c. Termination of the HAP contract by the BangorHousing

BangorHousing may terminate the HAP contract because:

i. BangorHousing has terminated assistance to the family.

ii. The unit does not meet HQS space standards because of an increase in family size or change in family composition.

iii. When the family breaks up and the BangorHousing determines that the family members who move from the unit will continue to receive the assistance.

iv. The BangorHousing determines that there is insufficient funding in their contract with HUD to support continued assistance for families in the program.

v. The owner has breached the contract in any of the following ways:

  iii. If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.

  iv. If the owner has violated any obligation under any other housing assistance payments contract under HCV of the 1937 Act.

  v. If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.

  vi. For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement.

  vii. If the owner has engaged in drug -related criminal activity or any violent criminal activity.

  viii. If a welfare-to-work family fails to fulfill its obligations under the welfare-to-work voucher program.

d. Final HAP payment to owner

The HAP payment stops when the lease terminates. If the owner has begun eviction proceedings and the family continues to occupy the unit, BangorHousing will continue to make payments until the owner obtains a judgment or the family moves out.

25.0 VIOLENCE AGAINST WOMEN ACT PROTECTIONS

25.1 Protection

The Violence Against Women Act ("VAWA") provides special protections to applicants and participants in the HCV Program who are victims of domestic violence, dating violence, sexual assault, or stalking. Despite its name, protections under VAWA are not limited to women. Victims of domestic violence, dating violence, sexual assault, or stalking are eligible for protection without regard to sex, gender identity, or sexual orientation. In addition, victims will not be discriminated against on the basis of any other protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age.

25.2 Prohibited Basis for Denial or Termination of Assistance or Eviction

An applicant for or tenant of housing assisted under a covered housing program may not be denied admission to, denied assistance under, terminated from participation in, or evicted from the housing on the basis that the applicant or tenant/participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy.

In carrying out the foregoing, an incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall not be construed as:

a. a serious or repeated violation of a lease for housing assisted under a covered housing program by the victim or threatened victim of such incident; or

b. good cause for terminating the assistance, tenancy, or occupancy rights to housing assisted under a covered housing program of the victim or threatened victim of such incident.

No person may deny assistance, tenancy, or occupancy rights to housing assisted under a overed housing program to a tenant solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of the household of the tenant/participant or any guest or other person under the control of the tenant/participant, if the tenant/participant or an affiliated individual of the tenant/participant is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking.

Any protections provided by law which give greater protection to the victim are not superseded by these provisions.

25.3 Eligibility

VAWA protections may also be exercised by or on behalf of a minor victim.

VAWA protections are only available for tenants and participants. Guests, unassisted members, and live-in aides of the family are ineligible for VAWA protections. However, a tenant may request VAWA protections on the grounds that a live-in aid is a victim of domestic violence, dating violence, sexual assault, or stalking.

25.4 Verification

To receive protection under VAWA, a tenant must request it. BangorHousing is not independently required to identify whether a tenant has been a victim of domestic violence, dating violence, sexual assault, or stalking.

BangorHousing requires written documentation in all cases where an individual represents to BangorHousing that the individual is a victim of domestic violence, dating violence, sexual assault, or stalking and is entitled to the protections or remedies under VAWA.

The submission of false information may be a basis for denial of admission, termination of assistance, or eviction.

1. An applicant or tenant shall submit, as documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking, one of the following forms of documentation:

    a. Form HUD-5382;

    b. A document:

        i. Signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse;

        ii. Signed by the applicant or tenant; and

        iii. That specifies, under penalty of perjury, that the professional believes that the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection and remedies under this subpart, and that the incident meets the applicable definition of domestic violence, dating violence, sexual assault, or stalking; or

c. A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or

d. BangorHousing, in its sole discretion, may accept a statement or other evidence provided by a tenant or applicant.

2. An individual who claims protection against adverse action pursuant to VAWA and who is required to provide the documentation set forth above must provide such documentation within 14 business days after receipt of the written request for such documentation. During this period, BangorHousing will take no adverse action against the individual.

   BangorHousing may, in its sole discretion, extend the 14-day deadline. In exercising its discretion, BangorHousing may consider the following non-exclusive set of factors: disability; limited English proficiency; absence from the unit due to hospitalization or time spent in an emergency shelter; administrative delays in obtaining third-party records; danger of further violence; and the need of the victim to address health or safety issues.

   Failure to provide documentation within 14 business days after receipt of the written request for that documentation or within the designated extension period may result in:.

   a. Denial of admission by the applicant or tenant to the covered program;

   b. Denial of assistance under the covered program to the applicant or tenant;

   c. Termination of the participation of the applicant or tenant in the covered program; or

   d. Eviction of the applicant, the tenant, or a lawful occupant that commits violations of a lease.

3. A tenant who has informed BangorHousing that they are a victim of domestic violence, dating violence, sexual assault, or stalking must provide enough information to BangorHousing to allow it to make a determination regarding the adverse factor they

are claiming was a direct result of domestic violence, dating violence, sexual assault, or stalking.

If BangorHousing believes any information from a tenant is not clear, it will speak to the victim and try to clarify the information. After BangorHousing has received the information from the tenant or applicant, and if necessary, clarified this information with the tenant or applicant, BangorHousing will make an objectively reasonable determination, based on all the circumstances, whether the adverse factor is a direct result of the fact that the applicant or tenant/participant is a victim of domestic violence, dating violence, sexual assault, or stalking.

4. In cases where BangorHousing receives documentation that contains conflicting information, BangorHousing may require an applicant or tenant to submit third-party documentation described above, within 30 calendar days of the date of the request for the third-party documentation. If an applicant or tenant responds with third-party documentation that meets the required criteria and supports the applicant's or tenant's request, BangorHousing is prohibited from requiring further documentation. However, if an applicant or tenant does not submit third-party documentation within the required time period or submits documentation that does not meet the required criteria, BangorHousing may not accept the applicant's or tenant's assertion of victim status for purposes of VAWA protections.

5. BangorHousing is prohibited from conducting further fact finding for the purpose of trying to verify the "validity" of an applicant or tenant's status as victim for purposes of VAWA. However, if BangorHousing already has or regularly receives reliable information that conflicts with the submitted documentation, BangorHousing may require third-party documentation status, based on the information outside of the submitted documentation. If the applicant or tenant subsequently does not submit third-party documentation, or only submits third-party documentation that contains conflicting information, BangorHousing may deny VAWA protections.

6. BangorHousing's denial of VAWA protection is subject to its grievance procedure.

7. An owner is not required to ask for documentation when an individual presents a claim for VAWA protection. If the owner chooses to request an individual to document their claim of domestic violence, dating violence, sexual assault, or stalking, the owner must make such request in writing. The individual may satisfy this request by providing any one document type listed under 24 C.F.R. § 5.2007(b)(1).

25.5 Lease Bifurcation

In instances where the owner allows for lease bifurcation as remedy to an incident of domestic violence, dating violence, sexual assault, or stalking, the owner may (but is not required to) bifurcate the lease, which evicts or removes the perpetrator from the unit without evicting or removing the victim from the unit. If the owner does bifurcate the lease, the owner must immediately notify BangorHousing of the change in the lease and provide a copy of all such changes to BangorHousing. Except for BangorHousing-owned units, BangorHousing is not a party to the lease and therefore cannot bifurcate a lease agreement between an owner and a tenant. It is up to the owner to bifurcate the family's lease to evict or remove the perpetrator from the unit.

Bifurcating the lease and evicting certain family members may have consequences for both the owner and the family. For example, a change in family size and composition may impact the determination of the appropriate number of bedrooms and the amount of subsidy paid by BangorHousing to the owner. To the extent that the change would adversely impact the subsidy standard for the family, BangorHousing may grant an exception to its established subsidy standards if BangorHousing determines that the exception is justified by the age, sex, health, handicap, or relationship of family members, or other personal circumstances. (See 24 CFR 982.402(b)(8).) BangorHousing may adopt a policy to include an instance of domestic violence, dating violence, sexual assault, or stalking under other personal circumstances.

A best practice in the event an owner will bifurcate the lease as a result of domestic violence, dating violence, sexual assault, or stalking, is for the owner to refer the family to BangorHousing in advance of the bifurcation. This may allow BangorHousing to offer assistance or otherwise provide service referrals to the victim in advance of the bifurcation.

All information provided under VAWA, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, shall be maintained in confidence and shall not be entered into any shared database or provided to any related entity except to the extent that the disclosure is:

1. Requested or consented to in writing by the individual in a time-limited release;

2. Required for used in an eviction proceeding or hearing regarding termination of assistance from the covered program; or

3. Otherwise required by applicable law.

BangorHousing shall provide its tenants notice of their rights under VAWA including their right to confidentiality and the limits thereof.

25.6 Lease Revision Resulting from Domestic Violence, Dating Violence, Sexual Assault, or Stalking

BangorHousing may encourage owners to allow tenants out of their lease if a family member is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and the family needs to move out to protect the health or safety of the victim. BangorHousing may not terminate assistance if the family moves out of the unit with or without prior notification as required by 24 CFR 982.354, in violation of the lease in order to protect the health or safety of the victim, as the victim reasonably believed they were imminently threatened by harm from further violence if they remained in the dwelling unit. Similarly, if the family moves out of the assisted unit in violation of the lease in order to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed they were imminently threatened by harm from further violence if they remained in the dwelling unit, and has otherwise complied with all other obligation under the HCV program, the family may receive a voucher from BangorHousing and move to another jurisdiction. However, any family member that has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's move or request to move is not required to believe that they were threatened with imminent harm from further violence if they remained in the dwelling unit.

State or local law may have protections for victims beyond those in VAWA or HUD regulations. Nothing in VAWA should be construed to supersede any provision of any Federal, State, or local law that provides greater protection than VAWA for victims of domestic violence, dating violence, sexual assault, or stalking; as such, owners in jurisdictions that provide greater protections for victims must grant those protections for victims.

When the entire family moves from the contract unit for any reason, including to protect the health or safety of the family member that is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, the HAP contract terminates automatically. BangorHousing will not pay HAP to the owner of the previously occupied unit once the family moves out.

If the perpetrator remains in the unit, BangorHousing will continue to pay the owner until it terminates the perpetrator from the HCV Program.

If the HAP contract terminates for any reason, the lease terminates automatically. If a family moves out of the property at any time during the month, the owner may keep the housing assistance payment (HAP) for the month when the family moves out of the unit.

In the event BangorHousing executes a new HAP contract with a new owner after the victim moves out of the original unit to protect his or her health or safety, BangorHousing must not disclose the victim's new address (or any other information collected on the new HAP contract) to the original owner, as the information collected in the HAP contract is protected by the Privacy Act.

25.7 Emergency Transfer Plans

BangorHousing allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation. The ability of BangorHousing to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether it has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

1. Eligibility for Emergency Transfers. A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking is eligible for an emergency transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

   A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in the Emergency Transfer Plan, which BangorHousing has adopted and which may be amended from time-to-time.

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

2. Emergency Transfer Request Documentation. To request an emergency transfer, the tenant shall notify BangorHousing's management office and submit a written request for a transfer. BangorHousing will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

   a. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under BangorHousing's program; or

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

3. Emergency Transfer Timing and Availability. BangorHousing cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. BangorHousing will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. BangorHousing may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

   If it has no safe and available units for which a tenant who needs an emergency transfer is eligible, BangorHousing will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. In this instance, BangorHousing may decide to offer the tenant a Voucher, including an Emergency Housing Voucher ("EHV") in accordance Notice PIH 2021-15, if available. If an EHV is not available at the time, BangorHousing may place tenant on a waiting list for an EHV.

   A participant in the HCV Program who meets the requirements for an emergency transfer may move. Such a request would be subject to the policies set forth in this Administrative Plan, including but not limited to policies regarding family break up, moving, and/or portability.

   At the tenant's request, BangorHousing will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

25.8 Confidentiality

All information provided under VAWA including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, shall be maintained in confidence.

Employees of BangorHousing will not have access to the information unless explicitly authorized by BangorHousing for reasons that specifically call for these individuals to have access to such information under applicable federal, state, or local law.

In addition, BangorHousing will not enter this information into any shared database or disclose this information to any other entity or individual except to the extent that the disclosure is:

1. Requested or consented to by the individual in writing;

2. Required for use in an eviction proceeding; or

3. Otherwise required by applicable law.

BangorHousing shall provide notice to applicants and tenant/participants of their rights under VAWA including their right to confidentiality and the limits thereof.

In addition to the foregoing, information submitted by a participant to an owner, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, must be maintained in confidence.

25.9 Definitions

Actual and imminent threat refers to a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

Affiliated individual, with respect to an individual, means:

a. A spouse, parent, sibling, or child of that individual, or an individual to whom that individual stands in loco parentis; or

b. Any individual, tenant, or lawful occupant living in the household of that individual.

Bifurcate means to divide a lease as a matter of law, subject to the permissibility of such process under the requirements of the applicable HUD-covered program and State or local law, such that certain tenants or lawful occupants can be evicted or removed and the remaining tenants or lawful occupants can continue to reside in the unit under the same lease requirements or as may be revised depending upon the eligibility for continued occupancy of the remaining tenants and lawful occupants.

Covered housing provider refers to the individual or entity under a covered housing program, and as defined by each program in its regulations, that has responsibility for the administration and/or oversight of VAWA protections and includes PHAs, sponsors, owners, mortgagors, managers, State and local governments or agencies thereof, nonprofit or for-profit organizations or entities.

Dating violence means violence committed by a person:

a. Who is or has been in a social relationship of a romantic or intimate nature with the victim; and

b. Where the existence of such a relationship shall be determined based on a consideration of the following factors:

    1. The length of the relationship;

    2. The type of relationship; and

    3. The frequency of interaction between the persons involved in the relationship.

Domestic violence includes felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim under the family or domestic violence laws of the jurisdiction receiving grant funding and, in the case of victim services, includes the use or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by a person who:

a. is a current or former spouse or intimate partner of the victim, or person similarly situated to a spouse of the victim;

b. is cohabitating, or has cohabitated, with the victim as a spouse or intimate partner;

c. shares a child in common with the victim; or

d. commits acts against a youth or adult victim who is protected from those acts under the family or domestic violence laws of the jurisdiction

Economic abuse in the context of domestic violence, dating violence, and abuse in later life, means behavior that is coercive, deceptive, or unreasonably controls or restrains a person's ability to acquire, use, or maintain economic resources to which they are entitled, including using coercion,
fraud, or manipulation to:

a. restrict a person's access to money, assets, credit, or financial information;

b. unfairly use a person's personal economic resources, including money, assets, and credit, for one's own advantage; or

c. exert undue influence over a person's financial and economic behavior or decisions, including forcing default on joint or other financial obligations, exploiting powers of attorney, guardianship, or conservatorship, or failing or neglecting to act in the best interests of a person to whom one has a fiduciary duty.

Technological abuse means an act or pattern of behavior that occurs within domestic violence, sexual assault, dating violence or stalking and is intended to harm, threaten, intimidate, control, stalk, harass, impersonate, exploit, extort, or monitor, except as otherwise permitted by law, another person, that occurs using any form of technology, including but not limited to: internet enabled devices, online spaces and platforms, computers, mobile devices, cameras and imaging programs, apps, location tracking devices, or communication technologies, or any other emerging technologies.

The term "**spouse or intimate partner of the victim**" includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.

Sexual assault means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

Stalking means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

(1) Fear for the person's individual safety or the safety of others; or

(2) Suffer substantial emotional distress.

26.0 CHARGES AGAINST THE HCV ADMINISTRATIVE FEE RESERVE

Occasionally, it is necessary for the BangorHousing to spend money from its HCV Administrative Fee Reserve to meet unseen or extraordinary expenditures or for its other housing related purposes consistent with State law.

The BangorHousing Board of Commissioners authorizes the Executive Director to expend without prior Board approval up to **$2,500** for authorized expenditures.

Any item(s) exceeding **$2,500** will require prior Board of Commissioner approval before any charge is made against the HCV Administrative Fee Reserve.

27.0 INTELLECTUAL PROPERTY RIGHTS

No program receipts may be used to indemnify contractors or subcontractors of BangorHousing against costs associated with any judgment of infringement of intellectual property rights.

28.0 BangorHousing OWNED HOUSING

Units owned by the BangorHousing and not receiving subsidy under any other program are eligible housing units for Housing Choice Voucher holders. In order to comply with Federal regulation, the BangorHousing will do the following:

1. The BangorHousing will make available through the briefing process both orally and in writing the availability of BangorHousing owned units (notification will also include other properties owned/managed by the private sector available to Housing Choice Voucher holders).

2. The BangorHousing will obtain the services of an independent entity to perform the following BangorHousing functions:

    a. Determine rent reasonableness for the unit. The independent entity will communicate the rent reasonableness determination to the family and the BangorHousing.

    b. To assist the family in negotiating the rent.

    c. To inspect the unit for compliance with HQS.

3. The BangorHousing will gain HUD approval for the independent agency/agencies utilized to perform the above functions.

4. The BangorHousing will compensate the independent agency/agencies from our ongoing administrative fee income.

5. The BangorHousing, or the independent agency/agencies, will not charge the family any fee or charge for the services provided by the independent agency.

29.0 QUALITY CONTROL OF HCV PROGRAM

In order to maintain the appropriate quality standards for the HCV program, BangorHousing will regularly (at least annually) review files and records to determine if the work documented in the files or records conforms to program requirements. This shall be accomplished by a supervisor or another qualified person other than the one originally responsible for the work or someone subordinate to that person. The number of files and/or records checked shall be at least equal to the number specified in the HCV Management Assessment Program (SEMAP) for our size PHA.

Among the areas that shall have quality control reviews are the following:

1. The proper people were selected from the waiting list and their selection criteria were actually met by the applicants.

2. The determination of rent reasonableness.

3. Participants are paying the appropriate rent and their income and expenses were properly verified both upon admission and re-certification.

4. HQS inspections were properly made.

5. HQS deficiencies were properly followed up on and appropriate repairs were made in a timely manner.

If significant errors are found during a quality control review, then appropriate training shall be immediately conducted for the person or persons who made the errors and that person shall correct all of his or her errors.

30.0 REPAYMENT AGREEMENTS

When a participant owes the BangorHousing back charges and is unable to pay the balance by the due date, the resident may request that the BangorHousing allow them to enter into a Repayment Agreement. The BangorHousing has the sole discretion of whether to accept such an agreement. All Repayment Agreements must assure that the full payment is made within a period not to exceed twelve (12) months without the express approval of the Executive Director. If feasible, the total amount paid will not exceed 40% of monthly adjusted income. All Repayment Agreements must be in writing and signed by both parties. They must include the following elements:

1. Reference to the paragraphs in the HCV information packet whereby the participant is in non-compliance and may be subject to termination of assistance.

2. The monthly retroactive repayment amount is in addition to the family's regular rent contribution and is payable to the BangorHousing.

3. The terms of the agreement may be renegotiated if there is a decrease or increase in the family's income.

4. Late and missed payments constitute default of the repayment agreement and may result in termination of assistance.

Refusal to enter into a Repayment Agreement for monies owed will subject the family to termination of subsidy.

Note: If BangorHousing has a minimum rent greater than $0, they must allow for repayment agreements for those tenants whose rental amount is the minimum rent and who have had their rent abated for a temporary period.

31.0 HOMEOWNERSHIP OPTION

31.1 Purpose

BangorHousing's homeownership option is designed to promote and support homeownership by a ''first-time'' homeowner -- a family that meets the definition in this Plan. It allows one or more members of the family to purchase a home. HCV payments supplement the family's own income to facilitate the transition from rental to homeownership. The initial availability of these assistance payments helps the family pay the costs of homeownership, and may provide additional assurance for a lender, so that the family can finance the purchase of the home. BangorHousing will offer the monthly payment option only.

HCV homeownership assistance for a cooperative homeowner is specifically authorized for both families that are first time cooperative homeowners and families that owned its cooperative unit prior to receiving HCV assistance.

30.2 Family Participation Requirements

1. In order to assure a successful transition from rental to homeownership, this program shall be open only to those who have been assisted by the HCV rental assistance

program for at least twelve months. During this period (the previous twelve months), all program requirements will have been complied with.

2. Only 10 of the BangorHousing's housing choice vouchers shall be utilized at any one time.

3. The family is qualified to participate as set forth in Section 22.3 of this policy.

4. The unit to be purchased is eligible as set forth in Section 22.4 of this policy.

5. The family has satisfactorily completed the required pre-assistance homeownership counseling.

6. If located in a special flood hazard area, the purchaser has obtained flood insurance on the home and agrees to maintain this insurance.

31.3 Family Eligibility Requirements

1. The family has participated in the HCV Housing Choice Voucher rental program for twelve months, is in good standing, and desires to participate in the homeownership program.

2. At the commencement of homeownership assistance, the family must be one of the following:

   a. A first-time homeowner;

   b. A cooperative member; or

   c. A family of which a family member is a person with disabilities, and the use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and usable by such person.

3. At commencement of homeownership assistance for the family, the family must demonstrate that its total annual income (gross income), as determined by the BangorHousing, of all the adult family members who will own or reside in the home at commencement of homeownership assistance is not less than the Federal minimum hourly wage multiplied by 2,000 hours. However, in the case of disabled families, the minimum income shall be equal to the monthly Federal Supplemental Security Income (SSI) for an individual living alone (or paying his or her share of food and housing costs) multiplied by twelve.

Except in the case of an elderly family or a disabled family, the BangorHousing shall not count any welfare assistance received by the family in determining annual income under this section.

The disregard of welfare assistance income under the preceding paragraph only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance in accordance with this section, but does not affect:

a. The determination of income-eligibility for admission to the housing choice voucher program;

b. Calculation of the amount of the family's total tenant payment (gross family contribution); or

c. Calculation of the amount of homeownership assistance payments on behalf of the family.

In the case of an elderly family or a disabled family, welfare assistance shall be counted in determining annual income.

4. The family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance:

a. Is currently employed on a full-time basis (the term ``full-time employment'' means not less than an average of 30 hours per week); and

b. Has been continuously so employed during the year before commencement of homeownership assistance for the family.

This requirement shall be considered fulfilled if:

a. The family member is self-employed and earning a net income (income after business expenses have been deducted) that equals the federal minimum hourly wage multiplied by 2000 hours; or

b. Any employment interruptions either were not the fault of the family member or were for less than 30 calendar days and caused by an effort to improve the family's situation.

The employment requirement does not apply to an elderly family or a disabled family. Furthermore, if a family other than an elderly family or a disabled family, includes a person with disabilities, an exemption from the employment requirement shall be granted if the BangorHousing determines that an exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

5. The BangorHousing shall not commence homeownership assistance for a family if any family member has previously received assistance under the homeownership option while an adult, and has defaulted on a mortgage securing debt incurred to purchase the home.

6. Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.

7. Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale.

31.4 Eligible Units

1. Any unit that is eligible under the HCV rental assistance program is eligible for this program. The types of units eligible are:

   a. Single family dwellings;

   b. Condominiums;

   c. Cooperatives; and

   d. Manufactured Housing and their pads (must have at least a permanent foundation and at least a 40-year lease).

2. The unit must be either existing or under construction (the footers have been poured) at the time the family enters into the contract of sale.

3. The unit must be either a one-unit property or a single dwelling unit in a cooperative or condominium.

4. The unit must satisfy the housing quality standards (HQS) and have been inspected by an independent inspector designated and paid for by the family.

5. The seller cannot be someone who has been debarred, suspended, or is subject to a limited denial of participation by HUD.

6. If the unit is owned by the BangorHousing or by an entity substantially controlled by BangorHousing, the following additional conditions must be met:

   a. The purchasing family must verify in writing that it is purchasing the units without any BangorHousing steering or pressure; and

   b. An independent agency, approved by HUD must perform the following functions for this type of sale:

      i. Inspect the units for HQS compliance;

      ii. Review the independent inspection report;

      iii. Review the sales contract; and

      iv. Determine the reasonableness of the sale price and any BangorHousing provided financing.

31.5 Searching for a New Home

Because the financial health of the BangorHousing's HCV Program depends upon having units either under lease or being purchased, it is necessary for BangorHousing to limit the amount of time a family can take between the time of the homeownership briefing and the time a home is identified that the family wishes to purchase. Normally, families will have up to one hundred twenty (120) calendar days to locate an appropriate property and notify BangorHousing. If extraordinary difficulties are encountered, the family can request up to two (2) thirty (30) day extensions that may be granted at the sole discretion of the BangorHousing. If an extension is requested and granted, the family will report in writing to BangorHousing monthly to update BangorHousing on the progress of its search.in the way of written extension requests.

Once a suitable property has been identified and an agreement to purchase contract entered into, BangorHousing will determine a maximum time in which the closing must occur and the family to take occupancy of the property. This time frame will vary depending on market conditions.

If the family is unable to locate a suitable home to purchase, they can continue with rental assistance as long as they are still in compliance with program regulations. This request must be made before the housing choice voucher expires. Approval of the request will be at the sole discretion of the BangorHousing with the decision being based on the effort exerted by the family and the condition of the marketplace.

Additional time will be granted to a disabled family as a reasonable accommodation if justified by the family's actions and/or marketplace conditions.

31.6 Homeownership Counseling

Before the commencement of homeownership assistance for a family, the family must attend and satisfactorily complete a pre-assistance homeownership and housing counseling program required by BangorHousing (pre-assistance counseling). If possible, the counseling will be conducted by a HUD-approved counseling agency. If this is not available, BangorHousing shall make other arrangements for the pre-assistance counseling.

Among the topics to be covered in BangorHousing-required pre-assistance counseling program are:

1. Home maintenance (including care of the grounds);

2. Budgeting and money management;

3. Credit counseling;

4. How to negotiate the purchase price of a home;

5. How to obtain homeownership financing and loan preapprovals, including a description of types of financing that may be available, and the pros and cons of different types of financing;

6. How to find a home, including information about homeownership opportunities, schools, and transportation in BangorHousing's jurisdiction;

7. Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;

8. Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and

9. Information about the Real Estate Settlement Procedures Act (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

BangorHousing will require post-closing counseling only if the participant is in violation of the obligations of the program.

31.7 Home Inspections

BangorHousing will not commence homeownership assistance for a family until it has inspected the unit and has determined that the unit passes HQS.

The unit must also be inspected by an independent professional inspector selected by and paid by the family. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components. BangorHousing may not require the family to use an independent inspector selected by BangorHousing. The independent inspector may not be a BangorHousing employee or contractor, or other person under control of BangorHousing. The independent inspector shall be certified by the American Society of Home Inspectors or one whose inspections are accepted by three local lenders. It shall be the responsibility of the inspector to verify that the inspector meets this certification qualification.

The independent inspector must provide a copy of the inspection report both to the family and to BangorHousing. BangorHousing will not commence homeownership assistance for the family until it has reviewed the inspection report of the independent inspector. Even if the unit otherwise complies with the HQS (and may qualify for assistance under BangorHousing's tenant-based rental voucher program), BangorHousing shall have discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report.

BangorHousing will inspect the home after closing if complaints are received regarding possible violations of the program. Twenty-four hour written notice will be provided if an inspection is deemed necessary.

31.8 Contract of Sale

Before commencement of homeownership assistance, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give BangorHousing a copy of the contract of sale.

The contract of sale must:

1. Specify the price and other terms of sale by the seller to the purchaser.
2. Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.

3. Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser.

4. Provide that the purchaser is not obligated to pay for any necessary repairs.

5. Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation.

6. Complete and attach the Addendum to Purchase and Sales Agreement to the Contract of Sale.

31.9 Financing the Purchase of the Home

1. A purchasing family must invest at least three percent of the purchase price of the home they are buying in the property. This can take the form of either a down payment, closing costs, or a combination of the two. Of this sum, at least one percent of the purchase price must come from the family's personal resources.

2. The family must qualify for the mortgage loan under a lender's normal lending criteria taking into account the fact that this is by definition a low-income family.

3. If the home is purchased using FHA mortgage insurance, it is subject to FHA mortgage insurance requirements.

4. If the loan is financed either by the seller or a non-traditional mortgage lending institution or individual, the loan shall be subject to the review of the BangorHousing. BangorHousing may verify that there are no unusual or onerous requirements in the loan documents and that the mortgage is affordable to the purchasing family. Also, the lender must require that an appraisal of the property is conducted and the appraiser must determine that the property is worth at least as much as the purchaser is paying.

5. Unless the purchaser can convince BangorHousing of unusual circumstances, no balloon payment mortgages or variable rate mortgages shall be allowed in the program.

6. All mortgage loans must close within the period of time established by BangorHousing at the time the purchaser and seller enter into their sale contract.

31.10 Requirements for Continuing Assistance

Homeownership assistance will only be paid while the family is residing in the home. If the family moves out of the home, BangorHousing will not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to BangorHousing the homeownership assistance for the month when the family moves out.

The family must comply with the following obligations:

1. The family must attend and complete ongoing homeownership and housing counseling before the end of the first, thirteenth and fourteenth years of assistance in order for assistance to continue.

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

3. As long as the family is receiving homeownership assistance, use and occupancy of the home is subject to the following requirements:

    a. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

    b. The composition of the assisted family residing in the unit must be approved by the BangorHousing. The family must promptly inform BangorHousing of the birth, adoption or court-awarded custody of a child. The family must request BangorHousing approval to add any other family member as an occupant of the unit. No other person (i.e., nobody but members of the assisted family) may reside in the unit (except for a foster child or live-in aide).

    c. The family must promptly notify the BangorHousing if any family member no longer resides in the unit.

    d. If the BangorHousing has given approval, a foster child or a live-in aide may reside in the unit.

    e. Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family.

    f. The family must not sublease or let the unit.

    g. The family must not assign the mortgage or transfer the unit.

    h. The family must supply any information or certification requested by BangorHousing to verify that the family is living in the unit, or relating to family absence from the unit, including any BangorHousing requested information or certification on the purposes of family absences. The family must cooperate with BangorHousing for these purposes. The family must promptly notify BangorHousing of their absence from the unit.

b. The family may grant a mortgage on the home for debt incurred to finance purchase of the home or any refinancing of such debt.

c. Upon death of a family member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members in accordance with Paragraph C above. In the case of a divorce or family separation, the assistance shall follow what a court decrees. In the case of a family that breaks up due to domestic violence, the assistance shall remain with the abused party.

d. The family shall supply the BangorHousing with any required information requested by BangorHousing. In particular this shall include information relating to the following:

   i. Citizenship or related immigration matters;

   ii. Family income and composition;

   iii. Social security numbers;

   iv. Any mortgage or other debt placed on the property;

   v. Any sale or other transfer of any interest in the home; and

   vi. The family's homeownership expenses.

e. The family must notify BangorHousing before the family moves out of the home.

f. The family must notify the BangorHousing if the family defaults on a mortgage securing any debt incurred to purchase the home.

g. During the time the family receives homeownership assistance under this program, no family member may have any ownership interest in any other residential property.

h. Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD. In the statement, the family agrees to comply with all family obligations under the homeownership option.

i. The family must secure the written permission of the BangorHousing before it refinances any debt secured by the home or places any additional secured debt on the property.

j. The family must assure the BangorHousing that all real estate taxes were paid on a timely basis. If they are not paid, assistance shall be terminated.

31.11 Maximum Term of Homeownership Assistance

1. Except in the case of a family that qualifies as an elderly or disabled family, family members shall not receive homeownership assistance for more than fifteen years if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or ten years, in all other cases.

2. The maximum term described in the preceding paragraph applies to any member of the family who has an ownership interest in the unit during the time the homeownership payments are made or is the spouse of any member of the household who has an ownership interest during the time the homeownership payments are made.

3. As noted in Paragraph 1 of this Section, the maximum homeownership assistance term does not apply to elderly and disabled families. In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family. If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance in accordance with this program).

4. If the family has received such assistance for different homes, or from different housing authorities, the total of such assistance terms is subject to the maximum term described in Paragraph 1 of this section.

31.12 Amount and Distribution of Homeownership Assistance

1. While the family is residing in the home, the BangorHousing shall pay a monthly homeownership assistance payment on behalf of the family that is equal to the lower of:

   a. The payment standard minus the total tenant payment; or

   b. The family's monthly homeownership expenses minus the total tenant payment.

2. The payment standard for a family is the lower of:

   a. The payment standard for the family unit size; or

   b. The payment standard for the size of the home.

If the home is located in an exception payment standard area, the BangorHousing will use the appropriate payment standard for the exception payment standard area.

3. The payment standard for a family is the greater of:

   a. The payment standard (as determined in accordance with Paragraph A of this section) at the commencement of homeownership assistance for occupancy of the home; or

   b. The payment standard (as determined in accordance with Paragraph A of this section) at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

BangorHousing will use the same payment standard schedule, payment standard amounts, and subsidy standards for the homeownership option as for the rental housing choice voucher program.

4. A family's homeownership expenses shall include the following items:

   a. Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;

   b. Real estate taxes and public assessments on the home;

   c. Home insurance;

d. Maintenance expenses of $25 per month;

e. An allowance of $25 a month for costs of major repairs and replacements;

f. The BangorHousing's utility allowance for the home; and

g. Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if BangorHousing determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.

5. Homeownership expenses for a cooperative member may only include amounts to cover:

   a. The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;

   b. Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;

   c. Home insurance;

   d. BangorHousing allowance for maintenance expenses;

   e. BangorHousing allowance for costs of major repairs and replacements;

   f. BangorHousing utility allowance for the home; and

   g. Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if BangorHousing determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.

6. If the home is a cooperative or condominium unit, homeownership expenses may also include cooperative or condominium operating charges or maintenance fees assessed by the condominium or cooperative homeowner association.

7. BangorHousing will pay homeownership assistance payments directly to the lender on behalf of the family unless the lender does not want the payment to be made directly to them. If there is any excess assistance, it will be paid to the family.

8. Homeownership assistance for a family terminates automatically 180 calendar days after the last housing assistance payment on behalf of the family. However, BangorHousing retains the discretion to grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

31.13 Homeownership Portability

1. A family may qualify to move outside the initial BangorHousing's jurisdiction with continued homeownership assistance under the housing choice voucher program. Families determined eligible for homeownership assistance by the BangorHousing may purchase a unit outside our jurisdiction, if:

   a. They meet our normal requirements for portability under the rental program;

   b. The receiving BangorHousing is administering a housing choice voucher homeownership program and the family meets the receiving BangorHousing's eligibility requirements; and

   c. The receiving PHA is accepting new homeownership families.

2. Conversely, if BangorHousing has slots open in our homeownership program we will accept homeowners exercising portability from another program and absorb such families if possible.

3. In general, the portability procedures described previously in this Administrative Plan apply to the homeownership option. The administrative responsibilities of the initial and receiving housing authorities are not altered except that some administrative functions (e.g., issuance of a housing choice voucher or execution of a tenancy addendum) do not apply to the homeownership option.

4. The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by BangorHousing.

5. Continued assistance under portability procedures is the next Section of this Admin Plan.

31.14 Moving with Continued Tenant-Based Assistance

1. A family receiving homeownership assistance may move to a new unit with continued tenant-based assistance. The family may move either with voucher rental assistance (in accordance with rental assistance program requirements) or with voucher homeownership assistance (in accordance with homeownership option program requirements). The BangorHousing will not commence continued tenant-based assistance for occupancy of the new unit so long as any family member owns any title or other interest in the prior home. No more than one move per year may occur in the program.

2. The BangorHousing must be able to determine that all initial requirements have been satisfied if a family that has received homeownership assistance wants to move to a new unit with continued homeownership assistance. However, the following requirements do not apply:

   a. The requirement for pre-assistance counseling is not applicable.

   b. The requirement that a family must be a first-time homeowner is not applicable.

3. BangorHousing may deny permission to move with continued assistance in the following circumstances:

4. BangorHousing may deny permission to move with continued rental or homeownership assistance if BangorHousing determines that it does not have sufficient funding to provide continued assistance.

5. At any time, BangorHousing may deny permission to move with continued rental or homeownership assistance in accordance with the next Section.

31.15 Denial or Termination of Assistance for Families

1. At any time, the BangorHousing may deny or terminate homeownership assistance in accordance with the same rules at it utilizes for the rental program.

2. The same restrictions on admission or continued assistance in regards to criminal activities shall apply to the homeownership program as the rental program.

3. BangorHousing may deny or terminate assistance for violation of participant obligations as previously described for the rental program.

4. BangorHousing shall terminate housing choice voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA-insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt. The BangorHousing, in its discretion, may permit the family to move to a new unit with continued housing choice voucher rental assistance if the family can show that the default was for reasons beyond its control. However, BangorHousing will deny such permission, if:

    a. The family defaulted on an FHA-insured mortgage; and

    b. The family fails to demonstrate that:

        i. The family has conveyed title to the home, as required by HUD, to HUD or HUD's designee; and

        ii. The family has moved from the home within the period established or approved by HUD.

32.0 CONDUCTING BUSINESS IN ACCORDANCE WITH CORE VALUES AND ETHICAL STANDARDS

32.1 Purpose

This Code of Conduct establishes standards for employee and Commissioner conduct that will assure the highest level of public service. Recognizing that compliance with any ethical standards rests primarily on personal integrity and specifically in this situation with the integrity of the employees and Commissioners of BangorHousing, this Section sets forth those acts or omissions of acts that could be deemed injurious to the general mission of the Authority.

This Code of Conduct is not intended, nor should it be construed, as an attempt to unreasonably intrude upon the individual employee or Commissioner’s right to privacy and the right to participate freely in a democratic society and economy.

32.2 Conflict of Interest

No employee, officer, member of the BangorHousing Board of Commissioners, or agent of BangorHousing shall participate, directly or indirectly, in the selection, award, or administration of any contract if a conflict of interest, real or apparent, would be involved. A conflict arises when a person listed below has a financial or other interest in or a tangible personal benefit from a firm competing for the award:

1. An employee, officer, Board Member, or agent of BangorHousing;

2. Immediate family member of any employee, officer, Board Member, or agent of BangorHousing (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister);

3. Partner of any employee, officer, Board Member, or agent of BangorHousing;

4. An organization which employs or is about to employ any of the above persons.

In addition, during tenure and within one year of service, no employee or Board Member may voluntarily acquire any interest, direct or indirect, in any contract, project, or property included or planned to be included in any project of BangorHousing over which the employee or Board Member has exercised responsibility, control, or decisions during their tenure with BangorHousing, and no employee or Board Member, if employment is accepted with any person who has an interest in any contract, property, or project included or planned to be included in any project of BangorHousing, may work directly on that contract, project or property for that person if the employee or Board Member has exercised responsibility, control or decisions over that contract, project or property.

32.3 Prohibition of Solicitation or Acceptance of Gifts

No officer, employee, Board Member, or agent of BangorHousing may neither solicit nor accept gratuities, favors, or anything of monetary value from any participant, contractor, potential contractor, or party to any subcontract. Officers, employees, Board Members, or agents of BangorHousing may accept unsolicited items of nominal intrinsic value or promotional items. Violation of the standards set forth in this paragraph could result in disciplinary action, up to and including termination of employment, or, in the case of Board Members, the referral of charges to the Bangor City Council pursuant to 30-A M.R.S. § 4725.

Officers, employees, Board Members, or agents of BangorHousing shall not knowingly use confidential information for actual or anticipated personal gain.

32.4 BangorHousing Administrative and Disciplinary Remedies for Violation of BangorHousing Code of Conduct

Violations of this Code of Conduct Policy will result in disciplinary action as outlined in the BangorHousing's Employee Handbook or as determined by action of the Board of Commissioners.

33.0 SUPPORT FOR OUR ARMED FORCES

A major and important component of our armed forces are the part-time military personnel that serve in various Reserve and National Guard units. BangorHousing is very supportive of these men and women. An unfortunate fact of service in both the Reserves and National Guard is that from time to time their personnel are activated to full-time status and asked to serve our country in a variety of ways and circumstances. Whenever the Federal Government activates Reserve and/or National Guard personnel, the BangorHousing wants to support these brave warriors in the following manners:

1. If a family finds it necessary for another adult to temporarily move into a unit solely to serve as a temporary guardian for children residing in the unit, the income received by the temporary guardian will not be counted in determining family income. The presence of the temporary guardian will need to be approved by the landlord.

2. Although typically a criminal background check is required before anyone can participate in the housing choice voucher program, this requirement will be waived for a temporary guardian. Instead, the background check will occur after the person moves into the assisted unit. If the results of the check dictate that the person in ineligible for the program, the family shall be given a reasonable time to find a replacement temporary guardian.

3. Recognizing that activation in the Reserves or National Guard can be very disruptive to a family's income, the BangorHousing will expeditiously re-evaluate a resident's portion of the rent if requested to do so.

4. A unit cannot be held by a family that is not residing in it as their primary residence for more than 180 consecutive calendar days because of a specific federal regulation. If all members of a military family are temporarily absent from the unit because a member of the family has been called to active duty, the family can retain control of the unit by paying the required rent and returning to the unit within 30 calendar days of the conclusion of the active-duty service. If the service extends beyond 180 calendar days, the BangorHousing will seek a waiver of the 180-calendar day limit from HUD.

34.0 ANTI-FRAUD POLICY

BangorHousing is fully committed to combating fraud in its HCV housing program. It defines fraud as a single act or pattern of actions that include false statements, the omission of information, or the concealment of a substantive fact made with the intention of deceiving or misleading the BangorHousing. It results in the inappropriate expenditure of public funds and/or a violation of HCV requirements.

Although there are numerous different types of fraud that may be committed, the two most common are the failure to fully report all sources of income and the failure to accurately report who is residing in the residence. BangorHousing shall aggressively attempt to prevent all cases of fraud.

When a fraudulent action is discovered, BangorHousing shall take action. It shall do one or more of the following things depending on circumstances and what it determines appropriate:

1. Require the resident to immediately repay the amount in question;

2. Require the resident to enter into a satisfactory repayment agreement;

3. Terminate the resident's rental assistance;

4. Refer the case for criminal prosecution; or

5. Take such other action as the BangorHousing deems appropriate.

35.0 VETERAN'S AFFAIRS SUPPORTIVE HOUSING PROGRAM

The Veteran's Affairs Supportive Housing Program (HUD-VASH) is a HUD program funded in collaboration with the United States Department of Veteran's Affairs (VA). The program is designed to provide chronically homeless veterans (and their families) with affordable housing.

HUD-VASH vouchers are administered in accordance with this Admin Plan and HUD-VASH Operating Requirements, updated effective September 27, 2021, 86 FR 53207, as they may be amended from time-to-time.

35.1 Family Eligibility

VASH case managers refer HUD-VASH eligible homeless veterans to BangorHousing. VA HUD-VASH case managers screen all families in accordance with VA screening criteria. Most regular HCV Program screening criteria do not apply. BangorHousing does not have the authority to screen any potentially eligible family members or deny assistance for any grounds permitted under 24 C.F.R. 982.555 and 982.553, with one exception: BangorHousing will be required to prohibit admission if any household member is subject to a lifetime registration requirement under a state sex offender registration program. However, unless the family member that is subject to lifetime registration under a state sex offender program is the homeless veteran (which would result in denial of admission for the family), the remaining family members may be served if the family agrees to remove the sex offender from its family composition.

35.2 Income Eligibility

BangorHousing must determine income eligibility for HUD-VASH families, but are not required to use income targeting. HUD-VASH applicants must qualify only Very Low Income (VLI) or below.

35.3 Initial Term

HUD–VASH vouchers must have an initial search term of at least 120 days. Any extensions, suspensions, and progress reports will be made in accordance with this Admin Plan.

35.4 Initial Lease Term

To provide for a greater range of housing opportunities for HUD-VASH voucher holders, initial leases may be less than 12 months.

35.5 Ineligible Housing

HUD–VASH families will be permitted to live on the grounds of a VA facility in units developed to house homeless veterans.

35.6 Portability

HUD-VASH families must receive case management services provided by the VA. Special rules for mobility and portability apply based on whether the initial or receiving housing authority is providing the case management.

1. Portability moves where case management is provided by the initial housing authority's partnering VA Medical Center (VAMC)/Coordinator of Benefits Contractor (COBC)

If a HUD-VASH family moves to the jurisdiction of a nearby HA where the family can still receive case management from its partnering VAMC/COBC, the receiving housing authority must always bill BangorHousing under portability rules under the HCV program unless that housing authority allows BangorHousing to operate within their jurisdiction to administer that voucher.

2. Portability move where case management is provided by the receiving housing authority's partnering VAMC/COBC

When a HUD-VASH family wishes to move to a jurisdiction where the VAMC/COBC cannot provide case management services, the case manager must determine whether the HUD-VASH family could be served by another participating VAMC if that VAMC's partner housing authority has an available HUD-VASH voucher. If both conditions are met, the receiving housing authority must absorb the family either as a new admission or, if the family has been leased up with BangorHousing, as a portability move-in.

35.4 Other VASH Requirements

1. Case Management Requirements

VAMC/COBC will be responsible for case management. A family's HUD-VASH HCV assistance must be terminated for failure to participate, without good cause, in case management as verified by the VAMC/COBC, unless the VAMC/COBC determines that the participant no longer requires case management. If a participating family no longer requires case management, the family may continue to receive assistance through the HUD-VASH voucher if there are no other VASH Voucher eligible families waiting for a VASH Voucher. If there are VASH Voucher eligible veterans, BangorHousing will offer continued HCV assistance through one of its regular vouchers to free up the HUD-VASH voucher.

2. Turnover of HUD-VASH Voucher

Upon turn-over, HUD-VASH vouchers must be issued to VASH-eligible families as determined by case managers.

3. Termination of Assistance for Violation of Family Obligations

A family receiving a HUD-VASH voucher must follow the family obligations required of all HCV participants set forth in this Admin Plan. Prior to terminating assistance for a family receiving a HUD-VASH voucher, BangorHousing exercise their discretion under 24 CFR 982.552(c)(2) and consider all relevant circumstances of the specific case, including granting reasonable accommodations for persons with disabilities in accordance with 24 CFR part 8, as well as including the role of the case manager and the impact that ongoing case management services can have on mitigating the conditions that led to the potential termination, prior to determining whether to terminate assistance.

In addition, a HUD–VASH participant family will not be terminated after admission, for a circumstance or activity that occurred before admission and was known to BangorHousing, but could not be considered at the time of admission due to the HUD–VASH Operating Requirements. BangorHousing can terminate the family's assistance only for program violations that occur after the family's admission to the voucher program.

4. Initial Inspections

To expedite the leasing process, BangorHousing may pre-inspect available units that veterans may be interested in leasing, in order to maintain a pool of eligible units. If a HUD–VASH family selects a unit that passed an applicable housing quality inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval (form HUD–52517), the unit may be approved, provided that it meets all other conditions under 24 CFR Section 982.305. However, the veteran must be free to select his/her unit and cannot be steered to these units.

36.0 HOUSING CONVERSION ACTIONS (ENHANCED AND REGULAR HOUSING CHOICE VOUCHERS)

Housing conversion actions are:

1. Owner decisions to opt-out of or not renew HCV project-based contracts (opt-outs);

2. Owner prepayments of the mortgage or the voluntary termination of the mortgage insurance of a preservation eligible property (preservation prepayments);

3. HUD enforcement actions against owners (including the termination or non-renewal of a HCV project-based housing assistance payments (HAP) contract); and

4. HUD property disposition activities.

Depending on the type of Housing Conversion Action, eligible families receive either regular voucher assistance or enhanced voucher assistance. Enhanced voucher assistance under HCV(t) of the United States Housing Act of 1937 differs from regular housing choice voucher assistance in two major respects if the participant remains in the effected property. First, it will establish a new "minimum rent" equal to the rent the family was paying at the time of the eligibility event, and second it may establish an enhanced payment standard that exceeds the BangorHousing's normal payment standard.

Specifically, the following actions constitute "housing conversion actions":

1. Preservation Prepayments

   When the owner prepays the mortgage or voluntarily terminates the mortgage insurance of preservation eligible properties (generally Section 236 and Section 221(d)(3) properties) certain residents are eligible for enhanced voucher assistance.

2. Project-based Opt-outs

   When an owner chooses to end participation in certain programs by either opting-out of or not renewing certain expiring HCV contracts, eligible low-income residents assisted under the expiring HCV project-based contract are eligible for enhanced voucher assistance. The opt-out category includes cases where HCV contracts in restructured properties are converted to tenant-based assistance in accordance with section 515(c) of the Multifamily Assisted Housing Reform and Affordability Act of 1997. In the case of a 515(c) opt-out only, all families assisted under the expiring contract are income-eligible for enhanced voucher assistance.

   Eligible low-income residents assisted under a rent supplement contract under Section 101 of the Housing and Urban Development Act of 1965 that ends at the expiration of a HCV HAP contract for units in the property are also eligible for enhanced voucher assistance. In a case where a rent supplement contract ends and there is not an expiring HCV project-based contract at the property, regular vouchers are provided to the eligible low-income families covered by the rent supplement contract, subject to availability of appropriations.

3. HUD Enforcement Actions

   When there is a HUD-originated termination action, HUD is either terminating the HCV project-based HAP contract or not offering the owner the option to renew an expiring HCV project-based HAP contract due to an owner's failure to comply with the terms of the HAP contract. It includes suspensions and debarments.

   HUD enforcement actions may also result from material adverse financial or managerial actions or omissions that lead to either owner default under a FHA-insured mortgage (monetary or technical) or a documented material violation of one or more of the obligations under the property's Regulatory Agreement.

Eligible families are usually assisted with regular vouchers in these circumstances because families must move to receive housing choice voucher assistance.

4. HUD Property Disposition

A property disposition occurs when HUD is selling the property at a foreclosure sale, or is the mortgagee-in-possession or owner of the multifamily property due to an owner default on an FHA-insured mortgage and is closing down the property or selling the property to a new owner. Regular vouchers are provided to assist eligible low-income families in these cases.

36.1 Tenant-Based Issues for Housing Conversion Actions

In general, housing choice voucher program rules, regulations, and requirements apply to special admission vouchers made available for families as the result of "housing conversion actions". Some actions will lead to the issuance of enhanced vouchers, which will be discussed in detail in this Section.

The following program guidance is applicable to all housing conversion actions, both regular and enhanced voucher assistance.

1. Tenant-based Nature of the Assistance

Housing choice vouchers (including enhanced vouchers) provided by HUD as the result of a housing conversion action are always tenant-based assistance. Families issued vouchers may elect to use the assistance in the same property and in all cases may choose to move from the property. Families may choose to exercise portability and move outside of the jurisdiction of BangorHousing. There is no guarantee to the owner than any housing choice voucher assistance will be utilized at the property for any period of time. BangorHousing will emphasize the tenant-based aspect of the assistance when briefing families, who may be unfamiliar with the concept of tenant-based assistance and the freedom of choice associated with a tenant-based subsidy.

5. BangorHousing Screening of Families

BangorHousing will utilize its normal screening procedures as part of the eligibility requirements.

BangorHousing will provide any family denied assistance with an opportunity for an informal review. The decision to deny assistance rests with BangorHousing,

6. Use of Owner Certifications for Determining Tenant Income

In order to reduce processing time, the BangorHousing may exercise its right to use the owner's most recent family income examination if:

b. the owner's current certification for the family is no more than six (6) months old; and

c. BangorHousing determines that the owner certifications are acceptable after reviewing a small sample for accuracy.

If BangorHousing chooses to use the owner's income certification, BangorHousing will complete the subsequent family reexamination within one year of the date of the owner certification, not the date BangorHousing accepted the owner certification in lieu of conducting its own determination.

7. BangorHousing Subsidy Standards

BangorHousing will issue the housing choice voucher in accordance with its normal subsidy standards, not the actual size of the unit the family is currently occupying. There is a special rule for enhanced vouchers concerning families who reside in over-sized units and wish to remain at the property. This exception only applies to enhanced voucher assistance.

BangorHousing will utilize the subsidy standard to calculate the maximum rent subsidy for the family. The payment standard for the family shall be the lower of:

a. the payment standard for the family unit size as determined by BangorHousing subsidy standards; or

b. the payment standard for the actual size of the unit rented by the family.

8. Search Time

Since these vouchers are targeted to specific families adversely affected by HUD or owner actions in HUD multifamily properties, BangorHousing will provide families with maximum search time that is reasonably required to locate housing.

9. Rent Reasonableness and Approval of Tenancy

All regular program requirements regarding the reasonableness of rent apply, regardless of whether the vouchers are enhanced vouchers or regular vouchers.

Reasonable rent is defined as a rent to owner that is not more than rent charged:

a. for comparable units in the private unassisted market; and

b. for comparable unassisted units in the premises.

BangorHousing will not approve a lease until BangorHousing determines that the initial rent to owner is a reasonable rent, regardless of whether the family chooses to remain in the family's current unit or move to a different unit.

If BangorHousing determines the proposed rent is not reasonable, the owner must lower the rent or the family will have to find another unit in order to benefit from the voucher subsidy.

The initial lease term must be for at least one year unless BangorHousing determines that a shorter term would improve housing opportunities for the participant and such shorter term is the prevailing local market practice.

10. Housing Quality Standards Inspections

BangorHousing will inspect the unit to ensure that the unit meets the normal housing quality standards even if the family is residing in a unit that was previously assisted under a HCV project-based contract. Under no circumstances will BangorHousing make housing assistance payments for any period of time prior to the date that BangorHousing physically inspects the unit and determines that the unit meets the housing quality standards.

11. Timing Issues Involving HAP Contract Execution and Effective Dates

The funding process for vouchers that the BangorHousing receives from HUD is intended to result in issuance of the voucher to the family at least 60 calendar days prior to the target date of the housing conversion action. The target date is the date that the family would be impacted by a rent increase or possible displacement as a result of the housing conversion action.

For opt-out or HUD enforcement actions, the target date is the date that the project-based HAP contract expires or is terminated. For a preservation property, the target date is the earliest date the owner may increase the rent (no earlier than 60 calendar days following the effective date of the prepayment).

Before BangorHousing approves a family to lease a dwelling unit with voucher assistance, BangorHousing shall determine that the following conditions are met:

a. the unit is eligible;

b. The unit has been inspected and passes the housing quality standards;

c. the lease includes the tenancy addendum;

d. the rent to owner is reasonable; and

e. at the time a family initially receives tenant-based regular voucher assistance for occupancy of a dwelling unit and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share (gross rent minus subsidy) must not exceed 40 percent of the family's adjusted monthly income. (The 40 percent restriction is not applicable in the case of a family assisted with enhanced voucher assistance.)

Once these conditions are met, BangorHousing will approve the unit for leasing.

In establishing the effective date of tenant-based HAP contracts, it is very important to make a distinction between families who choose to stay in the property and families who choose to move. BangorHousing will not approve a tenancy (and execute a housing choice voucher HAP contract) on behalf of a stayer (family that stays in the property) for a lease term that is effective prior to the target date of the housing conversion action. For a family that is moving, BangorHousing may approve a tenancy that begins before the target date, since in strong rental markets potential landlords will not hold a unit vacant.

12. Initial and Subsequent Use of Vouchers

All housing choice vouchers (enhanced or non-enhanced) provided in connection with housing conversion actions are special admission vouchers. Special admission vouchers differ from regular vouchers in that HUD provides the assistance with a specific family in mind. BangorHousing will first use the allocation to assist the families targeted for assistance. BangorHousing will not consider whether the family is on the housing choice voucher waiting list or the family's position on the housing choice voucher waiting list.

If a voucher issued to a family as the result of a housing conversion action turns over for any reason, BangorHousing will retain the voucher for use as part of its regular housing choice voucher program. In cases where an enhanced voucher turns over following initial issuance, the voucher loses its special enhanced characteristics and is subject to all normal housing choice voucher program rules.

10. Inapplicability of the BangorHousing Targeting Requirement

Families admitted to BangorHousing's tenant-based voucher program as a result of a housing conversion action are not subject to the income targeting requirements of the tenant-based program, and their admission will not be counted in determining whether BangorHousing complied with the income targeting requirement.

36.2 Preservation Prepayments

When the owner prepays the mortgage or voluntarily terminates the mortgage insurance of preservation eligible properties (generally Section 236 and Section 221(d)(3) properties) certain residents are eligible for enhanced voucher assistance.

1. Owner Prepays the Mortgage or Voluntarily Terminates the Mortgage Insurance (Preservation Prepayments)

   Tenant-based assistance is offered to eligible residents of properties covered by the Emergency Low-Income Housing Preservation Act of 1987 (ELIHPA) and the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA). (HUD's Office of Housing is responsible for identifying property eligibility under these provisions)

   a. Covered Prepayments

   To be considered an eligible property, the property must have reached its 20th year from final endorsement and meet one of the following criteria:

      i. Section 221(d)(3)-market rate, limited distribution properties receiving HCV payments converted from Rent Supplement whose project number series is 35001-36599;

      ii. All Section 221(d)(3) below market interest rate properties whose project number series are 55001-55999 and 57501-57999, unless a Rent Supplement Contract remains in effect between HUD and the mortgagor;

      iii. All Section 236 properties whose project number series are 44001-44799; 44801-44899; 45001-45999; and 58501-58999, unless a Rent Supplement Contract remains in effect between HUD and the mortgagor;

      iv. A purchase money mortgage formerly insured under Section 221(d)(3) or 236;

v. A mortgage held by a state agency as a result of a sale by HUD without insurance, which immediately before the sale would have been eligible low-income housing under LIHPRHA; which mortgage (1) for LIHPRHA properties is, or is within 2 years of being, eligible for prepayment by contract or regulation in effect before February 5, 1988 without HUD's prior approval; or (2) for ELIHPA properties is, or is within 1 year of being, eligible for prepayment under regulation or contract in effect before February 5, 1988; or

vi. All State-assisted properties that are eligible for preservation assistance under LIHPRHA or ELIHPA.

b. Flexible Subsidy Properties

Section 536 of the Preserving Affordable Housing for Senior Citizens and Families into the 21st Century Act provides that any property that receives or has received assistance under Section 201 of the Housing and Community Development Amendments of 1978 (the flexible subsidy program, 12 U.S.C. 1715z-1a) which is the subject of a transaction under which the property is preserved as affordable housing (as determined by HUD) shall be considered eligible low-income housing under Section 229 of LIHPRHA for purposes of eligibility of residents for enhanced tenant-based assistance. (The Office of Housing is responsible for determining on a case-by-case basis if a flexible subsidy property meets the requirements of Section 536 concerning the applicability of enhanced vouchers).

2. Families Eligible for Enhanced Voucher Assistance in Preservation Eligible Properties

The resident family must be residing in the preservation eligible property on the effective date of prepayment or voluntary termination of mortgage insurance (or the effective date of the transaction in the case of covered flexible subsidy properties), and must be income-eligible on that effective date.

a. Income Eligibility

In order to be eligible for enhanced voucher assistance, the resident must be:

i. a low-income family (including a very low-income or extremely low-income family);

ii. a moderate-income elderly or disabled family; or

iii. a moderate-income family residing in a low vacancy area (3 percent or less vacancy rate). (The HUD field office economist is responsible for determining whether the property where the owner is prepaying or voluntarily terminating the mortgage insurance is located in a low vacancy area).

A resident family who does not fall into one of those categories on the effective date of the prepayment or voluntary termination is not eligible for a voucher, regardless of whether the family's situation subsequently changes after the effective date of the prepayment.

A low-income family is a family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD.

A moderate-income family is a family whose annual income is above 80 percent but does not exceed 95 percent of the area median income as determined by HUD.

b. Unassisted and Assisted Families

Both previously unassisted and currently assisted residents may be eligible for enhanced voucher assistance as the result of a preservation prepayment.

A voucher participant who is residing in the property at the time of the eligibility event shall receive enhanced voucher assistance if the family meets all of the following conditions:

i. the family must meet the income requirements on the date of the eligibility event;

ii. any rent increase under the voucher program must be in accordance with the lease agreement and program regulations;

iii. the new gross rent must be reasonable; and

iv. the family must decide to stay in the unit instead of moving.

Under the voucher program, an owner may increase the rent as permitted by the terms of the existing lease and local and state law, so long as the new rent is reasonable. The owner is not required by the program regulations to terminate the existing lease and HAP contract for current voucher participants to receive the special enhanced subsidy.

If the above conditions are met, the payment standard utilized by the BangorHousing to calculate the housing assistance payment is the new gross rent of the family's unit. The enhanced voucher minimum rent requirement now applies to the family (See Enhanced Voucher Minimum Rent Requirement for Stayers below).

Any family receiving HCV project-based assistance on the effective date of the prepayment will continue to receive the project-based assistance until the project-based contract expires or terminates. Such families will receive enhanced voucher assistance at the time of the expiration and non-renewal of the HCV project-based contract.

d. Eligibility Event and Existing Leases

Note that the eligibility event (e.g., the prepayment of the mortgage or the voluntary termination of a mortgage insurance contract for a preservation eligible property and the approval of the flexible subsidy transaction for flexible subsidy properties) does not in itself necessarily terminate or modify the existing leases between the owner and the current residents of the property. An owner may only legally increase the rent or terminate the lease as provided under the terms of the lease in accordance with state and local law. In addition, an owner may not increase the rent for at least 60 calendar days from the eligibility event in the case of a preservation prepayment or voluntary termination of the mortgage.

If an eligible family chooses to stay at the property, the BangorHousing will not enter into a HAP contract that commences prior to the effective date of the rent increase.

In addition, a family that receives an enhanced voucher has the right to remain in the property as long as the units are used for rental housing and are otherwise eligible for housing choice voucher assistance. The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause. If an owner refuses to honor the family's right to remain, the family may exercise any judicial remedy that is available under state and/or local law.

d. Family Eligibility for Enhanced Voucher Assistance in Cases Where There Would be no Initial Housing Assistance Payment and the Family Wishes to Stay in the Property

If the BangorHousing determines that the family is income-eligible for an enhanced voucher but that there is no HAP payment because the family's total tenant payment equals or is greater than the gross rent, the BangorHousing will maintain a record of eligibility determination for that family. The BangorHousing shall inform the family that should the family's income decrease or the family's rent increase within three years of the eligibility event, the family may contact the BangorHousing. Should the BangorHousing then determine that the change in income would result in a housing assistance payment, the BangorHousing will execute a housing assistance payment contract on behalf of the family at such time (assuming the unit is approved for leasing in accordance with the housing choice voucher program requirements). It is the family's responsibility to contact the BangorHousing when there is a decrease in family income or an increase in the family rent.

3. Voluntary Termination of Mortgage Insurance or Prepayment of Mortgage on Section 236 Property's Where Section 236 Rent Rules Remain Applicable (decoupling actions)

Where an owner voluntarily terminates the mortgage insurance or prepays the Section 236 mortgage in a preservation eligible Section 236 property and the rent setting requirements of the Section 236 program are still applicable to the property, the enhanced voucher rent would be no greater than the Basic Rent established in accordance with HUD Notice H 2000-8. Since families must pay at least 30 percent of their monthly adjusted income under the voucher subsidy formula, only those low-income families required to pay the basic rent will receive any voucher subsidy in such instance, unless the family chooses to move.

Regardless of the rents established under the rent formula for these properties, the rent reasonableness requirements of the housing choice voucher program must be met for the family to receive tenant-based assistance at the property. (The HUD Field Office is responsible for informing the BangorHousing in cases where the rent setting requirements of the Section 236 program remain in effect).

4. Enhanced Voucher Family Right to Remain

The FY 2001 Military Construction and FY 2000 Emergency Supplemental Appropriations laws amended HCV(t) of the United States Housing Act. A family that receives an enhanced voucher has the right to remain in the property as long as the units are used for rental housing and are otherwise eligible for housing choice voucher assistance (e.g., the rent is reasonable, unit meets HQS, etc.) The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause. If an owner refuses to honor the family's right to remain, the family may exercise any judicial remedy that is available under State and/or local law.

5. Characteristics of Enhanced Voucher Assistance

a. Payment Standard Where the Family Chooses to Stay in the Same Property

For a family that stays in the property, the payment standard used to calculate the voucher housing assistance payment is the gross rent (rent to owner, plus the applicable BangorHousing utility allowance for any tenant-supplied utilities) of the family's unit (provided the proposed gross rent is reasonable), regardless of whether the gross rent exceeds the BangorHousing payment standard.

b. Rent Reasonableness Documentation and Lease Requirements

All regular housing choice voucher program requirements concerning the reasonableness of the rent and the provisions of the HUD prescribed lease addendum apply to enhanced vouchers. BangorHousing will determine whether the proposed rent for the family's unit is reasonable.

BangorHousing makes this determination by comparing the unit to other comparable unassisted units based on the current condition of the unit. If BangorHousing determines the owner's proposed new rent is not reasonable, the owner must either lower the rent, or the family will have to find another unit in order to benefit from the voucher.

The special payment standard for enhanced tenant-based assistance for a family that stays in the unit sometimes results in BangorHousing approving a tenancy for a unit that otherwise would be ineligible or unaffordable to a family with regular tenant-based assistance. If the rent is reasonable in comparison to the rents of comparable unassisted units, there is nothing improper or incorrect in approving the owner's new rent even if the rent would not normally be affordable for a family with a regular housing choice voucher. BangorHousing will document the rent reasonableness of the owner's rent in the family's file by including the rents and addresses of the comparable units used to make the determination.

c. Effect of Family Unit Size Limitation - Initial Issuance

BangorHousing will issue the family an enhanced voucher based on its Subsidy Standards, not on the actual size of the unit the family is currently occupying. However, if the family wishes to stay in the property, but is living in an oversized unit, the enhanced voucher family must move to an appropriate size unit in the property if one is available. To the extent there are more over-housed families than appropriate size units available at any time, BangorHousing will determine based on family circumstances (age, frailty, etc.) which families will be required to move.

If there is no appropriate size unit currently available for the family in the project, BangorHousing will execute a voucher HAP contract on behalf of the family for the oversized unit, provided the rent is reasonable and the unit complies with all other voucher program requirements such as the housing quality standards. The enhanced voucher housing subsidy calculation will be based on the gross rent for the oversized unit. The subsidy calculation will continue to be based on the gross rent (including subsequent rent increases) for the oversized unit[11] until an appropriate size unit in the project becomes available for occupancy by the family.

The owner must immediately inform BangorHousing and the family when an appropriate size unit will become available in the project. When an appropriate size unit becomes available, the enhanced voucher family residing in the oversized unit must move to the appropriate size unit in a reasonable time (as determined by BangorHousing) to continue to receive enhanced voucher assistance. The family and owner will enter into a new lease and BangorHousing will execute a new voucher HAP contract with the owner for the appropriate size unit. The enhanced voucher subsidy calculation is based on the gross rent for the appropriate size unit.

If an over-housed enhanced voucher family refuses to move to the appropriate size unit, the BangorHousing will recalculate the family's housing assistance payment for the oversized unit based on the normally applicable voucher subsidy formula using the applicable payment standard established by the BangorHousing for its voucher program. The family will be responsible for any amount of the gross rent not covered by the housing assistance payment.

The effective date of the housing assistance payment contract for the oversized unit will not be earlier than the expiration date of the term of the family voucher. The family will be responsible for the full rent of the unit prior to the effective date of the housing assistance payment contract.

The payment standard is the gross rent of the oversized unit.

If BangorHousing determines that the unit of an enhanced voucher family is no longer decent, safe, and sanitary under the HQS requirements because an increase or decrease in family size causes the unit to be overcrowded or overhoused, the family must move to an appropriate size unit in the property when it is or becomes available. BangorHousing is required to assist the family in locating other standard housing in BangorHousing jurisdiction. The family and BangorHousing will try to find an acceptable unit as soon as possible. If the family rejects, without good cause,

[11] This is assuming the unit remains under the voucher HAP contract and all program requirements (such as rent reasonableness) continue to be met.

the offer of a unit that BangorHousing judges to be acceptable, BangorHousing will terminate the HAP contract.

If the family moves to an appropriate size unit in the property, the enhanced voucher subsidy rules would continue to apply to the family's voucher assistance. In the case of a family move from the property, the regular housing choice voucher program rules apply.

d. Family Move: Normal Payment Standard is Applicable

The BangorHousing's normal payment standard is utilized to determine the family's maximum voucher subsidy when the family moves from the property. This includes cases where the proposed new rent for the family's current unit if it is not reasonable or the unit fails HQS, requiring the family to move in order to continue receiving tenant-based assistance.

e. Enhanced Voucher Minimum Rent Requirement for Stayers

Families assisted with enhanced housing choice voucher assistance have a special statutory minimum rent requirement. The law requires that a family receiving enhanced voucher assistance must pay for rent no less than the rent the family was paying on the date of the eligibility event (the effective date of the prepayment of the mortgage or voluntary termination of the mortgage insurance) regardless of what happens to the family's income.

The enhanced voucher minimum rent only applies if the family remains in the property. The enhanced voucher minimum rent does not apply if the family moves from the property.

The method for calculating the minimum rent changes if the family's income subsequently decreases to a significant extent (15% or more) from the family's gross income on the effective date of the prepayment. Guidance on recalculating the minimum rent in cases when a family's income significantly decreases is discussed in detail in number 6 below.

i. Previously Unassisted Residents Rent Requirement

Previously unassisted residents must pay at least the dollar amount of the gross rent (enhanced voucher minimum rent) the family was paying on the date of prepayment or voluntary termination. The BangorHousing's utility allowance will be used to calculate the gross rent at prepayment if all utilities were not included in the rent the family paid to the owner.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the normal initial family contribution is not applicable.

ii. Previously assisted HCV Tenant-based Families Rent Requirement

Residents assisted with HCV tenant-based vouchers at the time of a prepayment or voluntary termination by the owner will pay at least the <u>family share</u> (enhanced voucher minimum rent) that they were paying on eligibility event. The enhanced minimum rent provision only applies if the family chooses to remain in its present unit and receive the "enhanced" subsidy.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the normal initial family contribution is not applicable.

f. Significant Decline in Family Income - Effect on Enhance Voucher Minimum Rent

If an enhanced voucher family suffers a significant decline in family income, the minimum family share required of the family shall be reduced below the enhanced minimum rent provision so that the percentage of income for rent does not exceed the greater of 30 percent or the percentage of monthly adjusted income actually paid by the family for rent (the rent to owner, plus tenant-paid utilities) on the effective date of the prepayment. A significant decline is defined as gross family income that is at least 15 percent less than the gross family income on the date of the eligibility event.

If the family suffers a significant decline in family income, the BangorHousing will change the enhanced voucher minimum rent from an actual dollar amount to a specific percentage of income.

i. Previously Unassisted Families

For eligible families who were previously unassisted on the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

1. the percentage of the monthly adjusted income the family paid for gross rent on the effective date of the eligibility event; or

2. 30 percent of the family's current adjusted monthly income.

ii. Previously assisted HCV Tenant-based Families

For families who were previously assisted under a project-based or tenant-based contract on day the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

1. the percentage of the monthly adjusted income the family paid for gross rent;

2. the Total Tenant Payment;

3. the family share represented on the effective date of the eligibility event; or

4. 30 percent of the family's current adjusted monthly income.

The new enhanced voucher minimum rent for these families is a percentage of income as opposed to a specific dollar amount. Once this change in the enhanced voucher minimum rent becomes effective for a family, the enhanced voucher minimum rent for the family remains that specific percentage of income and will not revert to a specific dollar amount, even if the family income subsequently increases or decreases.

When a family reports a significant decrease in family income, the BangorHousing will conduct an interim reexamination and verify the changes in income.

The minimum rent represents the lowest amount the family may pay as their family share for as long as the family remains in the property. A family may pay no less than the enhanced voucher minimum rent. Depending on the circumstances, the family may have to pay more than the enhanced voucher minimum rent at the time of eligibility event.

g. Calculating the HAP for Enhanced Voucher Assistance

Regardless of whether the owner's new gross rent after the eligibility event exceeds or is less than the BangorHousing's payment standard, the housing assistance payment for a family that stays in their present unit (or moves from an oversized unit to an appropriate size unit within the property) is the following:

The gross rent for the unit minus the greatest of:

i. 30 percent of the adjusted family income;

ii. 10 percent of the family monthly income (gross monthly income);

iii. the welfare rent in as-paid states;

iv. the enhanced voucher minimum rent; or

v. the BangorHousing's minimum rent.

h. Movers from the Property

If a resident decides to move from the property with the voucher assistance, the payment standard is not enhanced and the special voucher minimum rent does not apply. This applies both to families who decide to move when the eligibility event takes place and to families who have resided at the property after the eligibility event and want to move with continued assistance. In either circumstance, the housing assistance payment and the family share at the new unit are calculated in accordance with the regular rules of the housing choice voucher program.

6. Administering Enhanced Voucher Assistance

The special conditions of enhanced voucher assistance (enhanced voucher minimum rent and the special payment standard rules) are applicable for as long as the family receives voucher assistance in the property.

If an owner subsequently raises the rent for an enhanced voucher family in accordance with the lease, State and local law, and voucher program regulations (including rent reasonableness), the BangorHousing will utilize the new gross rent to calculate the voucher HAP payment for the family.

The BangorHousing shall identify an eligible family as an enhanced voucher family even if the gross rent of the family's unit does not currently exceed the normally applicable BangorHousing payment standard. Since the enhanced payment standard rule also covers any subsequent rent increases, it is possible that the special payment standard may come into play later in the family's tenancy. An enhanced voucher family is also required by law to pay no less than the enhanced voucher minimum rent, regardless of whether the gross rent exceeds the normally applicable BangorHousing payment standards.

a. Enhanced Voucher Minimum Rent

   The enhanced voucher minimum rent requirement remains in effect for all families who receive enhanced voucher assistance for as long as they remain in the property.

b. The payment standard used to calculate the family subsidy will continue to be enhanced to match the gross rent for the unit if the gross rent exceeds the normally applicable payment standard and the BangorHousing determines the rent is reasonable for as long as the enhanced voucher family continues to reside in the same property.

   If the owner raises the rent for a family assisted with an enhanced voucher in accordance with the lease, State and local law, and voucher program regulations, the BangorHousing will increase the enhanced payment standard to equal the new gross rent (rent to owner and the applicable BangorHousing utility allowance for any tenant-supplied utilities) for the unit provided the BangorHousing determines the rent is reasonable. The additional cost of the subsidy will be covered through the regular renewal process for the BangorHousing's voucher program.

   If a change in the BangorHousing's utility allowance (either an increase or decrease) affects the gross rent for a family assisted with an enhanced voucher, the BangorHousing will adjust the enhanced payment standard accordingly. The enhanced payment standard may never exceed the gross rent for the assisted family's unit.

36.3 Owner Opt-Outs

If an owner opts-out or elects not to renew an expiring contract for project-based assistance, HUD will make enhanced voucher authority available to BangorHousing for eligible families covered by the expiring contract.

1. Covered Opt-outs

The property must be covered in whole or in part by a contract for project-based assistance, and consist of more than four dwelling units under one of the following programs:

a. The new construction or substantial rehabilitation program under HCV(b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983);

b. The property disposition program under HCV(b) of the United States Housing Act of 1937;

c. The loan management assistance program under HCV(b) of the United States Housing Act of 1937;

d. The rent supplement program under Section 101 of the Housing and Urban Development Act of 1965, provided that at the same time there is also a HCV project-based contract at the same property that is expiring or terminating and will not be renewed;

e. HCV of the United States Housing Act of 1937, following conversion from assistance under Section 101 of the Housing and Urban Development Act of 1965; or

f. The moderate rehabilitation program under HCV(e)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1991).

Note that an owner may not choose to opt-out of a rent supplement contract. Instead, the rent supplement assistance ends either at the end of the term of the contract (generally 40 years after the first rent supplement payment was made) or when the mortgage terminates, depending on which event occurs first.

In addition, although families affected by HCV moderate rehabilitation opt-outs are eligible for enhanced vouchers that are subject to enhanced vouchers rules, these opt-outs are not considered a housing conversion action because the expiring contract is between the owner and the BangorHousing. BangorHousing is not eligible to receive the special fee for extraordinary administrative costs and the specific funding process instructions do not apply to an owner's decision to not renew an expiring HCV moderate rehabilitation contract.

2. Family Eligibility for Enhanced Vouchers as a Result of an Owner Opt-out

   In order to be eligible for enhanced voucher assistance, the resident must be:

   a. A low-income family (including a very low or extremely low-income family); and

   b. Residing in a unit covered by the expiring HCV project-based contract on the date of expiration.

In the case of the expiration of a covered HCV contract under 515(c) of MAHRA only (mark-to-market restructuring where the HCV project-based assistance contract is converted to tenant-based assistance), all families assisted under the expiring contract are considered income-eligible for enhanced voucher assistance.

3. Special Income Eligibility Rules for Opt-out Families in Properties Where a Preservation Prepayment Preceded the Owner Opt-out

   If the owner opt-out of the HCV project-based contract occurs after the owner has prepaid the mortgage or voluntarily terminated the mortgage insurance of a preservation eligible property, families who do not meet the definition of a low-income family may still be eligible to receive an enhanced voucher. In order to be eligible, the family must:

   a. Reside in a unit covered by the expiring contract on the date of expiration;

   b. Have also resided in the property on the effective date of the prepayment; and

   c. Meet the income requirements for enhanced voucher eligibility for residents affected by a preservation prepayment described below.

To determine family eligibility in this circumstance, the BangorHousing will first determine income eligibility of the family based on the normal eligibility rules for opt-outs. For a family that is found <u>not</u> to be low-income, the BangorHousing will then make a determination of whether the family lived in the property on the date of the prepayment. If the family resided in the property on the date of prepayment, the BangorHousing will then determine if the family is income-eligible under the preservation prepayment rules.

a. Income Requirements for Enhanced Voucher Eligibility for Residents Affected by a Preservation Prepayment

In order to be eligible for enhanced voucher assistance, the resident must be either:

i. A low-income family (including a very low or extremely low-income family);

ii. A moderate-income elderly or disabled family; or

iii. A moderate-income family residing in a low vacancy area (3 percent or less vacancy rate). (The HUD field office economist is responsible for determining whether the property where the owner is prepaying or voluntarily terminating the mortgage insurance is located in a low vacancy area).

A low-income family is a family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD.

A moderate-income family is a family whose annual income is above 80 percent but does not exceed 95 percent of the area median income as determined by HUD.

If the family meets the preservation income requirement, the BangorHousing will issue the family an enhanced voucher by virtue of the preservation prepayment out of the opt-out voucher allocation received from HUD.

A resident family who does not fall into one of those categories on the effective date of the prepayment or voluntary termination is not eligible for an enhanced voucher, regardless of whether the family's situation subsequently changes after the effective date of the prepayment.

4. Family Eligibility for Enhanced Voucher Assistance in Cases Where There Would be no Initial Housing Assistance Payment and the Family Wishes to Stay in the Property

If the BangorHousing determines that the family is income-eligible for an enhanced voucher but that there is no HAP payment because the family's total tenant payment equals or is greater than the gross rent, the BangorHousing will maintain a record of eligibility determination for that family. The BangorHousing will inform the family that should the family's income decrease or the family's rent increase within three years of the eligibility event, the family may contact the BangorHousing. Should the BangorHousing then determine that the change in income would result in a housing assistance payment, the BangorHousing will execute a housing assistance payment contract on behalf of the family at such time (assuming the unit is approved for leasing in accordance with the housing choice voucher program requirements). It is the family's responsibility to contact the BangorHousing when there is a decrease in family income or an increase in the family rent.

5. Enhanced Voucher Family Right to Remain

The FY 2001 Military Construction and FY 2000 Emergency Supplemental Appropriations laws amended HCV(t) of the United States Housing Act. A family that receives an enhanced voucher has the right to remain in the property as long as the units are used for rental housing and are otherwise eligible for housing choice voucher assistance (e.g., the rent is reasonable, unit meet HQS, etc.) The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause. If an owner refuses to honor the family's right to remain, the family may exercise any judicial remedy that is available under State and/or local law.

6. Characteristics of Enhanced Voucher Assistance

a. Payment Standard Where the Family Chooses to Stay in the Same Property

   For a family that stays in the property, the payment standard used to calculate the voucher housing assistance payment is the gross rent (rent to owner, plus the applicable BangorHousing utility allowance for any tenant-supplied utilities) of the family's unit (provided the proposed gross rent is reasonable), regardless of whether the gross rent exceeds the BangorHousing normal payment standard.

b. Rent Reasonableness Documentation and Lease Requirements

   All regular housing choice voucher program requirements concerning the reasonableness of the rent and the provisions of the HUD prescribed lease addendum apply to enhanced vouchers. BangorHousing will determine whether the proposed rent for the family's unit is reasonable.

   BangorHousing makes this determination by comparing the unit to other comparable unassisted units based on the current condition of the unit. If the BangorHousing determines the owner's proposed new rent is not reasonable, the owner must either lower the rent, or the family will have to find another unit in order to benefit from the voucher.

   The special payment standard for enhanced tenant-based assistance for a family that stays in the unit sometimes results in BangorHousing approving a tenancy for a unit that otherwise would be ineligible or unaffordable to a family with regular tenant-based assistance. If the rent is reasonable in comparison to the rents of comparable unassisted units, there is nothing improper or incorrect in approving the owner's new rent even if the rent would not normally be affordable for a family with a regular housing choice voucher. The BangorHousing will document the rent reasonableness of the owner's rent in the family's file by including the rents and addresses of the comparable units used to make the determination.

c. Effect of Family Unit Size Limitation - Initial Issuance

BangorHousing will issue the family an enhanced voucher based on its Subsidy Standards, not on the actual size of the unit the family is currently occupying. However, if the family wishes to stay in the property, but is living in an oversized unit, the enhanced voucher family must move to an appropriate size unit in the property if one is available. To the extent there are more over-housed families than appropriate size units available at any time, the BangorHousing will determine based on family circumstances (age, frailty, etc.) which families will be required to move.

If there is no appropriate size unit currently available in the property, a family must make a good faith attempt to find a unit outside the property. In order to determine if the family has made a good faith effort, the BangorHousing will require the family to submit a list of potential units by address, the landlords name and telephone number.

If the family has not located an eligible unit at the end of the term of the voucher (including any extension granted by BangorHousing) despite making a good faith effort, BangorHousing will execute a housing assistance payment contract for the family's current unit, provided the unit complies with housing quality standards and the proposed rent is determined to be reasonable.

The effective date of the housing assistance payment contract for the oversized unit will not be earlier than the expiration date of the term of the family voucher. The family will be responsible for the full rent of the unit prior to the effective date of the housing assistance payment contract.

The payment standard is the gross rent of the oversized unit. BangorHousing will advise the family in writing that the enhanced subsidy based on the oversized unit's rent will only be paid for one year. During that year, the family may move to an appropriate size unit in the property if one becomes available and the owner agrees to mutually terminate the lease agreement for the oversized unit. The family would receive the special payment standard for the appropriate size unit if the family moves to the appropriate size unit under this circumstance.

After the initial year of assistance in the oversized unit, BangorHousing will apply the normal payment standard in determining the family's housing assistance payment. If the family wishes to remain in the unit and do so under regular housing choice voucher program rules, the family will have to pay the additional cost for the oversized unit out-of-pocket.

If BangorHousing determines that the unit of an enhanced voucher family is no longer decent, safe, and sanitary under the HQS requirements because of an increase in family size that causes the unit to be overcrowded, the family must move to an appropriate size unit in the property or move to another unit not located at the property to continue to receive housing choice voucher assistance. BangorHousing is required to assist the family in locating other standard housing in BangorHousing jurisdiction. The family and BangorHousing will try to find an acceptable unit as soon as possible. If the family rejects, without good cause, the offer of a unit that BangorHousing judges to be acceptable, BangorHousing will terminate the HAP contract.

If the family moves to an appropriate size unit in the property, the enhanced voucher subsidy rules would continue to apply to the family's voucher assistance. In the case of a family move from the property, the regular housing choice voucher program rules apply.

d. Family Move: Normal Payment Standard is Applicable

The BangorHousing's normal payment standard is utilized to determine the family's maximum voucher subsidy when the family moves from the property. This includes cases where the proposed new rent for the family's current unit is not reasonable or the unit fails HQS, requiring the family to move in order to continue receiving tenant-based assistance.

e. Enhanced Voucher Minimum Rent Requirement for Stayers

Families assisted with enhanced housing choice voucher assistance have a special statutory minimum rent requirement. The law requires that a family receiving enhanced voucher assistance must pay for rent no less than the rent the family was paying on the date of the eligibility event (the effective date of the prepayment of the mortgage or voluntary termination of the mortgage insurance).

The enhanced voucher minimum rent only applies if the family remains in the property. The enhanced voucher minimum rent does not apply if the family moves from the property.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the initial family contribution is not applicable.

i. Previously Unassisted Residents Rent Requirement

Previously unassisted residents must pay at least the dollar amount of the gross rent (enhanced voucher minimum rent) the family was paying on the date of prepayment or voluntary termination. The BangorHousing's utility allowance is used to calculate the gross rent at prepayment if all utilities were not included in the rent the family paid to the owner.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the initial family contribution is not applicable.

ii. Previously assisted HCV Tenant-based Families Rent Requirement

Residents assisted with HCV tenant-based vouchers at the time of the prepayment or voluntary termination the family will pay at least the family share (enhanced voucher minimum rent) that they were paying on eligibility event. The enhanced minimum rent provision only applies if the family chooses to remain in its present unit and receive the "enhanced" subsidy.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the initial family contribution is not applicable.

f. Significant Decline in Family Income - Effect on Enhance Voucher Minimum Rent

If an enhanced voucher family suffers a significant decline in family income, the minimum family share required of the family shall be reduced so that the percentage of income for rent does not exceed the greater of 30 percent or the percentage of monthly adjusted income actually paid by the family for rent (the rent to owner, plus tenant-paid utilities) on the effective date of the prepayment. A significant decline is defined as gross family income decline of at least 15 percent from the gross family income on the date of the eligibility event.

If the family suffers a significant decline in family income, BangorHousing will change the enhanced voucher minimum rent from an actual dollar amount to a specific percentage of income.

i. Previously Unassisted Families

For families who were previously unassisted on the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

1. The percentage of the monthly adjusted income the family paid for gross rent on the effective date of the eligibility event; or

2. 30 percent of the family's current adjusted monthly income.

ii. Previously assisted HCV Tenant-based Families

For families who were previously assisted under the HCV tenant-based voucher program on the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

1. The percentage of the monthly adjusted income the family paid for gross rent;

2. The Total Tenant Payment;

3. The family share represented on the effective date of the eligibility event; or

4. 30 percent of the family's current adjusted monthly income.

The new enhanced voucher minimum rent for these families is a percentage of income as opposed to a specific dollar amount. Once this change in the enhanced voucher minimum rent becomes effective for a family, the enhanced voucher minimum rent for the family remains that specific percentage of income and will not revert to a specific dollar amount, even if the family income subsequently increases or decreases.

When a family reports a significant decrease in family income, the BangorHousing will conduct an interim reexamination and verify the changes in income.

The minimum rent represents the lowest amount the family may pay as their family share for as long as the family remains in the property. A family may pay no less than the enhanced voucher minimum rent. Depending on the circumstances, the family may have to pay more than the enhanced voucher minimum rent at the time of eligibility event.

g. Calculating HAP for Enhanced Voucher Assistance

Regardless of whether the owner's new gross rent after the eligibility event exceeds or is less than the BangorHousing's payment standard, the housing assistance payment for a family that stays in their present unit (or moves from an oversized unit to an appropriate size unit within the property) is the following:

The gross rent for the unit minus the greatest of:

i. 30 percent of the adjusted family income;

ii. 10 percent of the family monthly income (gross monthly income);

iii. The welfare rent in as-paid states;

iv. The enhanced voucher minimum rent; or

v. The BangorHousing's minimum rent.

h. Movers from the Property

If a resident decides to move from the property with voucher assistance, the payment standard is not enhanced and the voucher minimum rent does not apply. This pertains to families who decide to move when the eligibility event takes place, and to families who have resided at the property after the eligibility event and want to move with continued assistance. In either circumstance, the housing assistance payment and the family share at the new unit are calculated in accordance with the regular rules of the housing choice voucher program.

7. Administering Enhanced Voucher Assistance

The special conditions of enhanced voucher assistance (enhanced voucher minimum rent and the special payment standard rules) are applicable for as long as the family receives voucher assistance in the property.

If an owner subsequently raises the rent for an enhanced voucher family in accordance with the lease, State and local law, and voucher program regulations (including rent reasonableness), the BangorHousing will utilize the new gross rent to calculate the voucher HAP payment for the family.

The BangorHousing will identify an eligible family as an enhanced voucher family even if the gross rent of the family's unit does not currently exceed the normally applicable BangorHousing payment standard. Since the enhanced payment standard rule also covers any subsequent rent increases, it is possible that the special payment standard may come into play later in the family's tenancy. An enhanced voucher family is also required by law to pay no less than the enhanced voucher minimum rent, regardless of whether the gross rent exceeds the normally applicable BangorHousing payment standards.

a. Enhanced Voucher Minimum Rent

   The enhanced voucher minimum rent requirement remains in effect for all families who receive enhanced voucher assistance and remain at the property.

b. The payment standard used to calculate the family subsidy will continue to be enhanced to match the gross rent for the unit if the gross rent exceeds the normally applicable payment standard and the BangorHousing determines the rent is reasonable for as long as the enhanced voucher family continues to reside in the same property.

   If the owner raises the rent for a family assisted with an enhanced voucher in accordance with the lease, State and local law, and voucher program regulations, BangorHousing will increase the enhanced payment standard to equal the new gross rent (rent to owner and the applicable BangorHousing utility allowance for any tenant-supplied utilities) for the unit provided BangorHousing determines the rent is reasonable. The additional cost of the subsidy will be covered through the regular renewal process for BangorHousing's voucher program.

If a change in BangorHousing's utility allowance (either an increase or decrease) affects the gross rent for a family assisted with an enhanced voucher, BangorHousing will adjust the enhanced payment standard accordingly. The enhanced payment standard may never exceed the gross rent for the assisted family's unit.

36.4 HUD Enforcement Actions

HUD enforcement actions can take the form of either terminating a HCV project-based HAP contract or not offering the owner the option to renew an expiring HCV project-based HAP contract due to an owner's failure to comply with the terms of the HAP contract. It includes suspensions and debarments.

Additionally, HUD enforcement actions may also result from material adverse financial or managerial actions or omissions that lead to either an owner default under a FHA-insured mortgage (monetary or technical) or a documented material violation of one or more of the obligations under the property's Regulatory Agreement.

Eligible families are usually assisted with regular vouchers that HUD issues to BangorHousing in the above circumstances because families must move to receive housing choice voucher assistance.

BangorHousing will not approve an assisted tenancy at a property if HUD has informed BangorHousing that the owner is, suspended, or subject to a limited denial of participation.

Furthermore, the BangorHousing may disapprove owner participation in the housing choice voucher program for a number of other grounds described in the housing choice voucher program regulations and previously set forth in this Administrative Plan. HUD encourages the BangorHousing to disapprove a tenancy for any of these grounds in a case where vouchers are provided because HUD is taking an enforcement action against an owner.

In a few situations, families assisted under a HCV project-based HAP contract that is being terminated may be able to remain at the property. For instance, if the property is in good physical condition and the owner decides to turn the property over to new ownership, it may be possible for the eligible families assisted under the terminating contract to receive housing choice voucher assistance at the property. In such a case, the project-based families would qualify for enhanced vouchers. (HUD will make the determination whether enhanced or regular voucher assistance is appropriate.)

36.5 HUD Property Disposition

When HUD is selling the property at a foreclosure sale, or is the mortgagee-in-possession or owner of the multifamily property due to an owner default of an FHA-insured mortgage and closing down the property or selling property to a new owner, it will supply regular housing choice vouchers to assist eligible low-income families.

37.0 COST SAVINGS POSSIBILITIES

As Congress and HUD change the way they fund the program, more and more challenges face public housing authorities.

Therefore, BangorHousing hereby establishes in its Administrative Plan the following options that will be considered by the Board of Commissioners depending on the particular circumstances of the time. Before taking one or more of these options, BangorHousing will consult with the HUD Field Office for support and potential guidance. They are not listed in any particular order.

If BangorHousing requests more than one cost-savings waiver from HUD, BangorHousing will demonstrate how both/all waivers are necessary to avoid a shortfall that would result in the termination of families from the BangorHousing HCV Housing Choice Voucher program.

None of these options will be implemented without Board of Commissioner approval and the opportunity for affected participants to address the Board of Commissioners. Any actions taken under this section of the Administrative Plan will sunset if and when the procuring reason for the action is no longer in effect. Rescissions will also require Board of Commissioner approval.

Any cost-savings measures that constitute a significant amendment or modification as defined in BangorHousing's Annual/Five-Year Agency Plan (and as referenced in 24 CFR § 903.7(r)(2)) are subject to the requirements of a public hearing and comment period. **However, not all cost-savings measures constitute a significant amendment; that determination must be made by the BangorHousing.**

There shall be one basic principle that will guide the BangorHousing in implementing any or all of these options – what must the BangorHousing do to assist the maximum number of eligible people in a quality Housing Choice Voucher Program while maintaining the fiscal integrity of the program. The BangorHousing shall endeavor to protect elderly and disabled families from significant impact (defined as loss of one's Housing Choice Voucher) but recognizes that what is feasible is dependent on the amount of funding provided to the program.

The options are as follows:

1. The Housing Choice Voucher Payment Standards may be reviewed in light of the funding situation. If payment standards are reduced, the lower payment standard shall go into effect immediately for new admissions, participants moving from one unit to another, and people staying in place who require a new HAP contract because they are

signing a new lease. In extraordinary circumstances, the BangorHousing may be forced to ask HUD for a waiver so that even those participants staying in place without a new lease shall have their payment standard decreased immediately instead of the normal second regular reexamination after the lowering of the payment standard.

2. Since Housing Authorities do not have to wait until the HAP contract anniversary date to review owner rents and reduce them if warranted, BangorHousing will ensure that owner rents do not exceed amounts charged for unassisted units in the same building or complex. The initial rent and all rent increases must comply with any State or local rent control limits. Further, any owner leasing promotions for unassisted tenants (e.g., the initial two months of occupancy are "rent free") must be taken into consideration in determining rent reasonableness.

   In accordance with the HAP contract, BangorHousing will provide written notice to owners before reducing unreasonable rents. Rents may be reduced as early as the first of the following month. If the rent to owner is not reasonable as most recently determined by BangorHousing, the owner must reduce the rent to the reasonable amount or the HAP contract must be terminated. In such cases, the family will be issued an HCV to find a new unit. (Movers, like new participants, are subject to BangorHousing's current payment and occupancy standards.)

   Even if an owner's rent is reasonable, BangorHousing may request owners to voluntarily agree to a temporary rent reduction or defer rent increases to help avoid the termination of HAP contracts due to shortfalls in HCV funding. It is the owner's option to agree to such measures. However, the BangorHousing will not "freeze" rents due to insufficient funding when an owner requests an increase, if the agency determines the increased rent to be reasonable, and the owner does not agree to defer a rent increase.

3. Housing Choice Voucher Payment Standards must be established according to HUD regulation so that no more than 40% of the participants are paying more than 30% of their monthly adjusted income for rent. If circumstances dictate it, the BangorHousing may be forced to ask for a waiver of this prohibition in order to sufficiently lower its payment standard.

4. The utility allowance schedule may be reviewed to determine if the utility allowances are too high. If they are too high that means that the participants are being subsidized in an excess manner. The new utility allowance schedule may be placed into effect after a thirty-day notice or at a participant's next reexamination depending on the financial circumstances the BangorHousing finds itself in.

   As stated in this Admin Plan, utility allowances are supposed to be adjusted annually or sooner if there is a utility rate increase of 10% or more. If circumstances warrant, the BangorHousing reserves the right to seek a HUD waiver of this regulatory requirement.

5. An initial PHA may request that a receiving PHA absorb portable families for which the initial PHA is being billed. This may include the receiving PHA retroactively absorbing families for which the initial PHA was already billed and made payments. In these cases, the receiving PHA reimburses the initial PHA for payments made back to the effective date of the absorption, but only for the current calendar year. Both the receiving PHA and initial PHAs must agree to this arrangement. This provision provides an exception to Section 10 of Notice PIH 2011-3 on HCV Portability and Corrective Actions. (Section 10 provides that the receiving PHA may not retroactively absorb families for which the receiving PHA was previously billing for any time period that commences before 10 working days from the time the receiving PHA notifies the initial PHA of the absorption.) BangorHousing will attempt to get receiving PHAs to absorb whenever possible.

   If the BangorHousing is the receiving PHA, it will not "absorb" a family into its HCV program until it executes a HAP contract on behalf of the family that moves to a new unit. The BangorHousing will not engage in sham or fake portability paperwork exercises in an attempt to address their utilization or leasing problems. If the family is not placed under a HAP contract for a new unit in the receiving PHA's jurisdiction, the receiving PHA cannot absorb the family.

6. If financial circumstances dictate, BangorHousing may deny portability moves to a higher cost area for its Housing Choice Voucher participants and/or shoppers if the BangorHousing has insufficient funds to pay the higher subsidy amounts and the receiving BangorHousing declines to absorb the family. While the Board of Commissioners must establish this policy after an examination of the fiscal affairs of the organization, individual denials of portability shall only occur after the BangorHousing has determined that the receiving BangorHousing will not absorb the family. The denial of absorption shall be documented in that person's file.

   This can only occur if the portability action would cause the BangorHousing to be unable to avoid terminating the vouchers of current voucher participants during the affected calendar year. If a family is denied its portability request, no subsequent families will be admitted to the program until the BangorHousing has determined that sufficient funding exists to approve the move and has notified the family that the family may now exercise its move to the higher cost area.

   BangorHousing will notify the HUD Field Office in writing that it is denying a portability move. The notification will include:

a. A financial analysis that demonstrates insufficient funds are projected to meet the current calendar year projection of expenses. The projection must not include vouchers that have been issued but are not yet under contract.

b. A statement certifying the BangorHousing has ceased issuing vouchers and will not admit families from their waiting list while the limitation on moves to a higher cost unit is in place.

c. A copy of this Admin Plan stating how the BangorHousing will address families who have been denied moves.

d. If a family is denied a portability request due to lack of funding, it shall be so notified in writing when the denial is made. The letter shall include the period the family's request to move shall remain active (**INSERT A SPECIFIC PERIOD OF TIME, I.E., SIX MONTHS**) and how they will be notified when funds become available.

7. If financial circumstances dictate, the BangorHousing may deny the right of a participant to move within the jurisdiction of the BangorHousing to a portion of the jurisdiction that has a higher payment standard than the portion of the jurisdiction the participant currently lives in if the BangorHousing has insufficient funds to pay the higher subsidy amounts.

   The same HUD notification requirements as in the preceding paragraph apply. Also, if a family is denied a move within the jurisdiction due to lack of funding, it shall be so notified in writing when the denial is made. The letter shall include the period the family's request to move shall remain active (**INSERT A SPECIFIC PERIOD OF TIME, I.E., SIX MONTHS**) and how they will be notified when funds become available.

8. Housing Choice Vouchers issued to families on the waiting list that have not resulted in HAP contracts may be cancelled.

9. The BangorHousing may be forced to not reissue vouchers surrendered by current participants immediately upon their return to BangorHousing. Instead, the vouchers may be held in the Authority's inventory in order to avoid dire financial consequences. The amount of time they will be held shall be determined based upon the financial situation of BangorHousing.

10. The subsidy standards set forth in Section 13.0 may be reexamined. The BangorHousing may revise subsidy standards that exceed minimum HUD requirements to reduce bedroom size eligibility in accordance with 24 CFR § 982.402.

Subsidy standards must be consistent with the HQS space requirements in 24 CFR § 982.401(d) which includes a dwelling unit must have at least one bedroom or living sleeping area for each two persons. Children of the opposite sex, other than those under five years old, may not be required to occupy the same bedroom or living/sleeping room.

If a family leases a unit larger than the unit size on the voucher, the BangorHousing will ensure that the payment standard used to calculate the tenant share is based on the lower of the voucher unit size for which the family is eligible or the actual unit size leased. If the family size is reduced after admission, the BangorHousing will ensure that the correct payment standard is used in calculating the family rent portion. An "empty nester" single individual (or any household with similarly reduced member size) living in a 3-bedroom unit should have a 0- or 1-bedroom payment standard, not a 3-bedroom payment standard. If the unit size for which the family is eligible changes during the term of the HAP contract, the new unit size is applicable at the first regular reexamination following the change in accordance with 24 C.F.R. 982.505(c)(5).

11. In accordance with 24 C.F.R. 982.517(d)(1) and this Plan, BangorHousing must use the appropriate utility allowance for the smaller of the size of dwelling unit actually leased by the family or the family voucher size as determined under Section 13.0 Subsidy Standards. In extraordinary circumstances, the BangorHousing may be forced to ask HUD for a waiver of this regulation to apply the utility allowances for the bedroom size for which the family was eligible under the BangorHousing's subsidy standards, rather than for the unit size the family is leasing if it is larger.

12. A program-wide study may be conducted to ensure that families are utilizing the proper size Housing Choice Voucher for their current family size.

13. If the minimum rent is increased under Section 18.8 (2), it can be made the first of the month following the month families are notified of the increase (provided there has been at least a 45-day notice) instead of at the next reexamination.

14. The requirement of when families have to report changes of their income as set forth in Section 20.5 may be modified due to the financial pressure facing the BangorHousing. Also, the new rent payment may become effective at the start of the next month provided there has been a thirty-day notice.

15. If the BangorHousing is forced to stop issuing all of its Housing Choice Vouchers due to a funding shortfall and has any special purpose vouchers for non-elderly disabled persons (NED), Family Unification Program (FUP), or HUD Veterans Affairs Supportive Housing (VASH) then when it resumes issuing Housing Choice Vouchers

it will re-issue the NED, FUP and/or VASH Vouchers in the same proportion as they exist in relation to the overall program.

16. The absolutely last step the BangorHousing will take to resolve its Housing Choice Voucher financial problems will be to terminate the vouchers of families already receiving assistance. The HUD Field Office and the FMC financial analyst will be notified prior to notices of termination being issued. If this becomes necessary, a public lottery will be held to determine the sequence of people leaving the program.

17. If it becomes necessary for the BangorHousing to terminate Housing Choice Vouchers, the families terminated shall be reinstated onto the program as soon as fiscally and practically feasible in the order they were removed from the program. However, if the BangorHousing has a special need (i.e., NED, FUP, VASH, etc.) allocation of Housing Choice Vouchers that were terminated, they shall be the first to be reinstated until the full NED allocation is leased.

Notwithstanding the BangorHousing's adoption of policies noted above to deny portability or moves within its jurisdiction or revision of payment or subsidy standards, reasonable accommodation requests for a person's disability must still be evaluated in accordance with HUD's Section 504 implementing regulations at 24 CFR part 8. Such requests will be granted when an accommodation may be necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling, unless it would impose an undue financial and administrative burden on the BangorHousing or fundamentally alter the nature of the BangorHousing's operations.

38.0 FOSTER YOUTH INDEPENDCE – TENANT PROTECTION VOUCHERS

In 2019, HUD published Notice PIH 2019-20 regarding Tenant Protection Vouchers (TPV) for Foster Youth to Independence (FYI) initiative, which called for federal, state, and local partners to work together to end homelessness. HUD recognized that young adults aging out of foster care or with a history of involvement in foster care are at high risk for homelessness.

As part of the FYI-TPV initiative, BangorHousing and the Maine Department of Health and Human Services (DHHS) collaborated to TPVs for eligible youth. Eligible youth must meet the following conditions:

1. Be at least eighteen (18) years of age and not more than twenty-four (24) years of age; and

2. Left foster care, or will leave foster care within ninety (90) days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act at age sixteen

(16) or older; and

3. Be homeless or at risk of becoming homeless.

38.1 DHHS Responsibilities

Under its collaboration with BangorHousing, DHHS has agreed to:

1. Develop and implement a system for identifying eligible youth within the agency's caseload and review referrals from BangorHousing and other Community of Care (CoC) members.

2. Develop and implement a system for prioritization of referrals to ensure that youth are prioritized for a FYI TPV based upon level of need and appropriateness of the intervention.

3. Receive youth Release of Information and provide written certification to the BangorHousing that a youth meets eligibility conditions listed above

4. Collaborate with BangorHousing on the provision of services to TPV recipients for no more than thirty-six (36) months. The organization(s) to provide these services will be identified from various community-based organizations. Services include:

    a. Basic life skills information and counseling on money management, use of credit, housekeeping, proper nutrition, meal preparation, and access to health care (e.g. doctors, medication, and mental and behavioral support services).

    b. Counseling on compliance with rental lease requirements and with the Housing Choice Voucher (HVC) program participant requirements, including assistance and referrals for assistance for security deposits, utility hook-up fees, and utility deposits.

    c. Provide such assurances to owners of rental property as are reasonable and necessary to assist an eligible youth to rent a unit with a voucher.

    d. Job preparation and attainment counseling, including where to look, how to apply, dress, grooming, and relationships with supervisor and co-workers.

    e. Education and career advancement counseling regarding attainment of GED, attendance and financing of education (including technical school, trade school, and college), work ethic, and attitude.

38.2 BangorHousing Responsibilities

1. Accept referrals of Youth certified by DHHS as eligible for assistance under this notice.

2. Determine if youth referred by DHHS are eligible for FYI-TPS assistance.

3. Make referrals of possible eligible youth to DHHS.

4. Formally request FYI—TPV vouchers for eligible youth and provide HUD with all required information.

5. Apply all policies and procedures of the HCV programs to the lease-up and ongoing management of the FYI participant's tenancy and make proper use of funding for HAP Contract obligations with participating landlords.

6. Collaborate DHHS on the provision of services to FYI recipients for no more than thirty-six (36) months. The organization(s) to provide these services will be identified from various community-based organizations.

39.0 EMERGENCY HOUSING VOUCHERS

Effective April 8, 2025, BangorHousing was no longer authorized to issue Emergency Housing Vouchers, pursuant to Notice PIH 2025-07.

40.0 Implementation of Resident Choice-Mobility Rights in RAD PBV Developments

All existing residents of properties converted under the Rental Assistance Demonstration (RAD) using Project-based Vouchers (PBVs) have a right to request a tenant-based Housing Choice Voucher (HCV). This document sets out BangorHousing's policies and procedures for implementing these Choice-Mobility rights.

40.1 *Statement of Resident Choice-Mobility Rights*

1. Residents of RAD properties may obtain a Housing Choice Voucher the later of one year from the effective date of the HAP contract or one year after the move-in date.

2. Residents retain the right to request a Housing Choice Voucher at any point after the first year of occupancy for as long as they live at the property.

3. If an eligible resident receives a Choice-Mobility voucher but does not succeed in leasing a rental unit on the open market, they retain the right to stay in their current unit so long as the resident has not yet provided notice to vacate to the owner.

4. Eligible residents of a RAD PBV property who request a Housing Choice Voucher have priority to receive a Housing Choice Voucher. After a RAD conversion, BangorHousing may implement a cap on the issuance of vouchers, in accordance with 40.3.5.

40.2 Notice to residents

1. BangorHousing will give plain language notice to all residents of Choice-Mobility rights and procedures at multiple points in time of the RAD conversion, including at closing/conversion of the RAD property, at the RAD lease signing, and four months prior to when they first become eligible for a voucher, as well as written and oral notice at any resident meetings. After the first year, notice will also be provided to all existing residents at least annually, including at recertification, and to new residents as part of their initial briefing.
2. BangorHousing will maintain a plain language webpage explaining Choice-Mobility, including prominent links to this policy, PDF of the plain language notice, and a Choice-Mobility voucher request form that can be either printed or filled out online.

3. BangorHousing will offer in-person meetings at least twice a year with RAD residents to explain the Choice- Mobility option, and to provide access to training opportunities set out in section 40.4.1 below.

4. All notices, request forms and web-based materials on Choice-Mobility (as well as any other communications with residents concerning Choice-Mobility) will be translated and made available in other languages pursuant to HUD's LEP requirements and BangorHousing's language access plan (if one has been developed). This same information will also be effectively communicated to persons with disabilities.

40.3 Processing Choice-Mobility Requests

1. BangorHousing will provide a plain language Choice-Mobility request form to any resident who asks for one. BangorHousing will provide clear guidance to the resident regarding how to obtain a request form and the process for submitting it.

2. Any resident who satisfies the one-year waiting period is eligible to request a Housing Choice Voucher; no additional screening is required.

3. Once a request is received, BangorHousing will confirm whether the resident has lived in the property for the period required to be eligible. If the resident is eligible, they will either be issued a voucher if BangorHousing has one available or will be notified that they have been placed on a Choice-Mobility Priority List in the order that requests were received. BangorHousing will send the resident an acknowledgment of the receipt of the request and placement onto the list. BangorHousing will promptly issue the next available voucher for residents on the list.

4. When a resident reaches the top of the Choice-Mobility Priority List and BangorHousing has an available turnover voucher, BangorHousing will promptly schedule a meeting with them. At the meeting, BangorHousing staff will explain how the Housing Choice Voucher program works, schedule when the voucher will be issued, and go over the basic requirements of the HUD portability rule (explaining the benefits of living in a low poverty area, explaining BangorHousing's area of operation and the resident's portability rights, and providing access to apartment listings that include lower poverty neighborhoods, etc.), and BangorHousing will refer the resident to housing mobility counseling services, if available. BangorHousing will also explain the steps that residents must complete when making the transition from the PBV to the HCV program and will coordinate between departments to facilitate the transition.

5. After a RAD conversion, BangorHousing, if applicable and after notice and a public hearing, will determine whether and to what extent it will implement a turnover voucher inventory cap. Any cap so adopted by BangorHousing after the effective date of this Admin Plan will be incorporated herein by reference.

6. Choice-Mobility HCV families will have the same rights to extend their search times as any other HCV family, but if they fail to find a unit within the maximum allowable search time, they will retain all of their rights as a resident in the RAD property.

7. Residents who receive a voucher but fail to use it may request again, if they are still living in the RAD property.

40.4 Maximizing the potential of Choice-Mobility

1. Experience with housing mobility programs around the country has shown that advance preparation and training expands the ability of families with Housing Choice Vouchers to access units in high opportunity areas. To improve the success of families who may be interested in Choice-Mobility, BangorHousing will offer all interested residents in RAD properties access to training sessions on financial management/credit repair,

basics of conducting a housing search and applying for private housing, and fair housing/landlord-resident rights.

2. Housing search time limits can greatly affect the ability of families to use a voucher, especially in harder-to-rent areas. To increase the chances of securing housing, BangorHousing will approve requests to expand search times.

3. Comprehensive housing mobility services have been shown to significantly expand access to lower poverty, high opportunity communities for families with Housing Choice Vouchers. Although BangorHousing does not currently have funding for comprehensive mobility services, we will apply for funding for such services as soon as funding becomes available from HUD. In the meantime, BangorHousing will provide the following assistance to RAD residents who request Choice-Mobility:

    a. Provide all information required by HUD's portability rule to all HCV families.

    b. On a weekly basis, scan rental listings for available units in low poverty neighborhoods in the housing market that are within the HCV payment standards, and disseminate listings to HCV families searching for units.

41.0 PROJECT-BASED VOUCHERS

41.1 *General Requirements*

The PBV program allows PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 50 percent of its authorized units and attach the funding to specific units rather than using it for tenant-based assistance. PHAs may only operate a PBV program if doing so is consistent with the Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities.

BangorHousing will operate a project-based voucher program using up to 50 percent of its authorized units for project-based assistance.

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing. If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, BangorHousing is not required to reduce the number of these units if the number of authorized units is subsequently reduced. However, BangorHousing is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC, regardless of whether the BangorHousing has vouchers available for project-basing.

BangorHousing may project-base an additional 10 percent of its units above the 50 percent program limit. The units may be distributed among one, all, or a combination of the categories as long as the total number of units does not exceed the 10 percent cap.

For units under a HAP contract that was first executed on or after April 18, 2017, units qualify under this exception if the units:

- Are specifically made available to house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR 578.3.
- Are specifically made available to house families that are comprised of or include a veteran.
    - *Veteran* means an individual who has served in the United States Armed Forces.
- Provide supportive housing to persons with disabilities or elderly persons as defined in 24 CFR 5.403.
- Are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year Estimates.

PBV units that house eligible youth receiving FUPY/FYI assistance are also covered by this 10 percent exception authority if the units are under a HAP contract that became effective after December 27, 2020, and if the unit is occupied by an eligible youth receiving FUPY/FYI assistance. FYI TPVs that were awarded under Notice PIH 2019-20 are not part of this exception since PHAs are prohibited from project-basing FYI TPVs. Units added after December 27, 2020, through an amendment of a HAP contract that became effective after December 27, 2020, are eligible for this 10 percent exception authority. In contrast, units added after December 27, 2020, through an amendment of a HAP contract that became effective on or prior to December 27, 2020, are not eligible for this 10 percent exception authority [FR Notice 1/24/22]. See Chapter 19 for policies specific to project-basing FUPY vouchers.

BangorHousing may project-base up to an additional 10 percent of its authorized units, up to 30 percent, in accordance with HUD regulations and requirements.

PBV units under the RAD program and HUD-VASH PBV set-aside vouchers do not count toward the 20 percent limitation when PBV assistance is attached to them.

In addition, units that were previously subject to certain federal rent restrictions or were receiving another type of long-term housing subsidy provided by HUD are not subject to the cap. The unit must be covered under a PBV HAP contract that first became effective on or after April 18, 2017.

BangorHousing may project-base units not subject to the 20 percent cap in accordance with HUD regulations and requirements.

41.1.1 *Tenant-Based versus Project-Based Voucher Assistance*

Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of BangorHousing policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, BangorHousing policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

41.1.2 *Relocation Requirements*

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.
The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. PHAs may not use voucher program funds to cover relocation costs, except that PHAs may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.

The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of BangorHousing to ensure the owner complies with these requirements.

41.1.3 *Equal Opportunity Requirements*

BangorHousing must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, BangorHousing must comply with BangorHousing Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

41.2 *PBV OWNER PROPOSALS*

With certain exceptions, BangorHousing must describe the procedures for owner submission of PBV proposals and for PHA selection of PBV proposals Before selecting a PBV proposal, BangorHousing must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing, complies with the cap on the number of PBV units per project, and meets the site selection standards. BangorHousing may not commit PBVs until or unless it has followed the proposal selection requirements defined in 24 CFR 983.51.

41.2.1 *Owner Selection Procedure*

BangorHousing must select PBV proposals in accordance with the selection procedures in the Admin Plan. BangorHousing must select PBV proposals by either of the following two methods.

- **PHA request for PBV Proposals**. BangorHousing may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the request. BangorHousing may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.

- **BangorHousing may select proposal that were previously selected based on a competition**. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance. BangorHousing need not conduct another competition.

Solicitation and Selection of PBV Proposals

PHA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by BangorHousing. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of BangorHousing request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

Request for Proposals for Rehabilitated and Newly Constructed Units

BangorHousing will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in newspapers of general circulation, which shall be identified at the time of publication.

The advertisement will state the number of vouchers available to be project-based, the type of units that will be considered, the submission deadline, and will note how to obtain the full RFP with information on the application and selection process. Advertisements will also contain a statement that participation in the PBV program requires compliance with Fair Housing and Equal Opportunity (FHEO) requirements.

In addition, BangorHousing will post the RFP and proposal submission and rating and ranking procedures on its website.

BangorHousing will publish its advertisement in the newspapers for at least one day per week for three consecutive weeks. The advertisement will specify the number of units BangorHousing estimates that it will be able to assist under the funding BangorHousing is making available. Proposals will be due in BangorHousing office by close of business 30 calendar days from the date of the last publication. BangorHousing will date and time stamp all applications upon receipt. Applications received after the published deadline date will not be accepted for consideration. Postmarks are not acceptable.

In order for the proposal to be considered, the owner must submit the proposal to the PHA by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP and be in compliance with all HUD program requirements. Incomplete proposals will not be reviewed. The PHA reserves the right to reject applications at any time for misinformation, errors, or omissions of any kind.

BangorHousing will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP;

- Extent to which the project furthers BangorHousing goal of deconcentrating poverty and expanding housing and economic opportunities;

- If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

- In order to promote partially assisted projects, projects where less than 25 percent of the units will be assisted will be rated higher than projects where 25 percent or more of the units will be assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, BangorHousing will rate partially assisted projects on the percentage of units assisted. Projects with the lowest percentage of assisted units will receive the highest score.

Requests for Proposals for Existing Housing Units

BangorHousing will advertise its request for proposals (RFP) for existing housing in newspapers of general circulation, which shall be identified at the time of publication.

The advertisement will state the number of vouchers available to be project-based, the type of units that will be considered, the submission deadline, and will note how to obtain the full RFP with information on the application and selection process. Advertisements will also contain a statement that participation in the PBV program requires compliance with Fair Housing and Equal Opportunity (FHEO) requirements.

In addition, BangorHousing will post the notice inviting such proposal submission and the rating and ranking procedures on its website.

BangorHousing will periodically publish its advertisement in the same newspaper for at least one day per week for three consecutive weeks. The advertisement will specify the number of units BangorHousing estimates that it will be able to assist under the funding BangorHousing is making available. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;

- Extent to which the project furthers BangorHousing goal of deconcentrating poverty and expanding housing and economic opportunities;

- If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and
- Extent to which units are occupied by families that are eligible to participate in the PBV program.

PHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

BangorHousing will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.

BangorHousing may periodically advertise that it is accepting proposals in newspapers of general circulation, which shall be identified at the time of publication..

The advertisement will state the number of vouchers available to be project-based, the type of units that will be considered, the submission deadline, and will note how to obtain the full RFP with information on the application and selection process. Advertisements will also contain a statement that participation in the PBV program requires compliance with Fair Housing and Equal Opportunity (FHEO) requirements.
In addition to, or in place of advertising, BangorHousing may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. BangorHousing will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers BangorHousing goal of deconcentrating poverty and expanding housing and economic opportunities; and

- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, Choice Neighborhood, or Renewal Community.

Non-Competitive Project Selection

The PHA may select units without a competitive selection process in certain circumstances described in 24 CFR 983.51(c) and FR Notice 8/13/24. Prior to selecting units based on the below criteria, the PHA must notify the public of its intent to noncompetitively select one or more projects for PBV assistance through its 5-Year Plan. If this requirement is not met, the PHA may not select units non-competitively.

The PHA may select units for PBV assistance without following a competitive process in the following circumstances:

- The PHA may select existing, newly constructed, or rehabilitated public housing projects where the PHA has an ownership interest or over which the PHA has control, when the PHA is engaged in an initiative to improve, develop, or replace a public housing property or site.

    - The public housing units may either currently be in the public housing inventory or may have been removed from the public housing inventory through any available legal removal tool within five years of the project selection date.

- The PHA may select for future PBV assistance a project currently under the public housing program, or a project that is replacing the public housing project, in which a PHA has no ownership interest, or which a PHA has no control over, provided:

    - The public housing project is either still in the public housing inventory or had been removed from the public housing inventory through any available legal removal tool within five years of the project selection date;
    - The PHA that owned or owns the public housing project does not administer the HCV program;
    - The project selected for PBV assistance was specifically identified as replacement housing for the impacted public housing residents as part of the public housing demolition/disposition application, voluntary conversion application, or any other application process submitted to and approved by HUD to remove the public housing project from the public housing inventory; and
    - With respect to replacement housing, the PHA does not have to replace the housing on the same site as the original public housing, but the number of contract units in the replacement project may not exceed the number of units in the original public housing project by more than a de minimis amount for this exception to apply.

- The PHA may select a project consisting of PHA-owned units as defined at 24 CFR 982.4.
    - The units must continue to meet the definition of PHA-owned for the initial two years of the HAP contract unless there is a transfer of ownership approved by HUD.

- The PHA may select a project that underwent an eligibility event within five years of the project selection date, in which a family (or families) qualifies for enhanced voucher assistance and provided informed consent to relinquish its enhanced voucher for PBV assistance.

- The PHA may select one or more PBV projects with units made exclusively available to VASH families on the site of a VA facility.
  - The method of project selection must comply with all other requirements under 24 CFR 983.51, including that the PHA must notify the public of its intent to noncompetitively select one or more projects for PBV assistance through its 5-Year Plan and to ensure any project selection is consistent with the PHA administrative plan.

BangorHousing may noncompetitively attach PBVs to projects as described above. If it does intend to select units noncompetitively, it will first notify the public through its 5-Year Plan process and will include the procedures for submission and selection to address under what circumstances it will use this method.

PHA-Owned Units

A PHA-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that BangorHousing-owned units were appropriately selected based on the selection procedures specified in BangorHousing administrative plan. This also applies to noncompetitive selections. If BangorHousing selects a proposal for housing that is owned or controlled by BangorHousing, BangorHousing must identify the entity that will review BangorHousing proposal selection process and perform specific functions with respect to rent determinations, the term of the HAP contract, and inspections.

With the exception of projects selected in accordance with 24 CFR 983.51(c) (projects that meet the criteria to be excepted from competitive selection), the PHA's selection procedures must be designed in a manner that does not effectively eliminate the submission of proposals for non- PHA-owned units or give preferential treatment (e.g., additional points) to PHA-owned units.

Inspections Required Prior to Project or Proposal Selection

The PHA must examine the proposed site before the proposal or project selection date to determine whether the site complies with the site selection standards outlined in 24 CFR 983.55. The PHA may execute a HAP contract for existing housing if:

- All proposed contract units in the project fully or substantially comply with housing quality standards on the proposal or project selection date, which the PHA must determine via inspection;

- The project meets the environmental review requirements at 24 CFR 983.56, if applicable; and

- The project meets the initial inspection requirements in accordance with 24 CFR 983.103(c).

Written Notice of Proposal or Project Selection

Regardless of the method of selection, the PHA is required to provide written notice of proposal or project selection, which must include:

- If the project contains PHA-owned units, the PHA must provide the written notice of proposal or project selection to the responsible PHA official, and that official must certify in writing that the PHA accepts the terms and requirements stated in the notice. The PHA must make documentation available for public inspection regarding the basis for the PHA selection of a PBV proposal.

- When an environmental review is required, if the review has not been conducted prior to the project or proposal selection date, the PHA's written notice that the selection is subject to completion of a favorable environmental review and that the project or proposal may be
- rejected based on the results of the environmental review.

- For newly constructed housing and rehabilitated housing in projects to which labor standards apply, the PHA's written notice to the party that submitted the selected proposal or board resolution approving project-basing of assistance at the specific project must state that any construction contracts must incorporate a Davis-Bacon contract clause and the current applicable prevailing wage determination.

In addition to the requirements above, for selection of proposals through competitive methods, the PHA must give prompt written notice to the party that submitted a selected proposal and must also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The proposal selection date is the date on which the PHA provides written notice to the party that submitted the selected proposal. The written notice of proposal selection must require the owner or party that submitted the selected proposal to provide a written response to the PHA accepting the terms and requirements stated in the notice. The PHA must make documentation available for public inspection regarding the basis for the PHA selection of a PBV proposal.

If the project does not contain PHA-owned units, the PHA will notify the selected owner in writing of the owner's selection for the PBV program within 10 business days of the PHA making the selection. The PHA will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

If the project contains PHA-owned units, within 10 business days of the PHA making the selection, the PHA will provide the written notice of proposal selection to the responsible PHA official, and that official must certify in writing that the PHA accepts the terms and requirements stated in the notice within 10 business days of receiving the PHA's written notice.

When an environmental review is required, if the review has not been conducted prior to the proposal selection date, the PHA's written notice of proposal selection will state that the selection is subject to completion of a favorable environmental review and that the proposal may be rejected based on the results of the environmental review.

For any project to which labor standards apply, the PHA's written notice will state that any construction contracts must incorporate a Davis-Bacon contract clause and the current applicable prevailing wage determination.

The PHA will publish its notice for selection of PBV proposals for two consecutive days in the same newspapers the PHA used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program. The PHA will also post the notice of owner selection on its website.

The PHA will make available to any interested party its rating and ranking sheets and documents that identify the PHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The PHA will not make available sensitive owner information that is privileged, such as financial statements and similar information
about the owner.

The PHA will make these documents available for review at the PHA during normal business hours. The cost for reproduction of allowable documents will be $.25 per page. The owner must submit a written response to the PHA accepting the terms and requirements stated in the notice within 10 business days of the PHA's written notification to the owner.

In addition to the requirements above, for projects selected under an exception to the competitive process under 24 CFR 983.51(c), the PHA must give prompt written notice of project selection to the owner following the PHA board's resolution approving the project-basing of assistance at the specific project. The project selection date is the date of the PHA's board resolution approving the project-basing of assistance at the specific project. The written notice of project selection must require the owner of the project selected to provide a written response to the PHA accepting the terms and requirements stated in the notice.

If the project contains PHA-owned units, within 10 business days of the board's resolution approving the project-basing of assistance at a specific project, the PHA will provide the written notice of project selection to the responsible PHA official, and that official must certify in writing that the PHA accepts the terms and requirements stated in the notice within 10 business days of receiving the PHA's written notice.

If the project does not contain PHA-owned units, within 10 business days of the board's resolution approving the project-basing of assistance at a specific project, the PHA will notify the owner in writing of the project's selection. The owner must submit a written response to the PHA accepting the terms and requirements stated in the notice within 10 business days of the PHA's written notification to the owner.

In addition, when an environmental review is required, if the review has not been conducted prior to the project selection date, the PHA's written notice of project selection will state that the selection is subject to completion of a favorable environmental review and that the project may be rejected based on the results of the environmental review.

Further, for any project to which labor standards apply, the PHA's written notice will state that any construction contracts must incorporate a Davis-Bacon contract clause and the current applicable prevailing wage determination.

41.2.2 *Housing Types*

BangorHousing may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of PHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation began after the owner's proposal submission but prior to the execution of the HAP do not subsequently qualify as existing housing. Units that were newly constructed or rehabilitated in violation of program requirements also do not qualify as existing housing.

BangorHousing must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. BangorHousing choice of housing type must be reflected in its solicitation for proposals.

41.2.3 *Prohibition of Assistance for Certain Activities*

Ineligible Housing Types

BangorHousing may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; and transitional housing. In addition, BangorHousing may not attach or pay PBV assistance for a unit occupied by an owner and BangorHousing may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program. A member of a cooperative who owns shares in the project assisted under the PBV program is not considered an owner for purposes of participation in the PBV program. Finally, PBV assistance may not be attached to units for which construction or rehabilitation has started after the proposal submission and prior to the execution of an AHAP.

Subsidized Housing

A PHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or BangorHousing in accordance with HUD requirements.

41.2.4 *Subsidy Layering*

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

HUD requires new construction and rehabilitation housing that will include forms of governmental assistance other than PBVs to undergo a subsidy layering review (SLR) prior to entering into an Agreement to Enter into Housing Assistance Payments Contract (AHAP).

Subsidy layering requirements do not apply to existing housing, when PBV is the only governmental assistance, or for projects already subject to a PBV HAP contract, even if the project is recapitalized with outside sources of funding.

When a PHA selects a new construction or rehabilitation project, BangorHousing must require information regarding all HUD and/or other federal, state, or local governmental assistance to be disclosed by the project owner using Form HUD-2880. Appendix A of FR Notice 2/28/20 contains a list of all required documentation.

Either HUD or a HUD-approved housing credit agency (HCA) in BangorHousing's jurisdiction performs the subsidy layering review. BangorHousing must request an SLR through their local HUD Field Office or, if eligible, through a participating HCA.

If the SLR request is submitted to an approved HCA, and the proposed project-based voucher assistance meets HUD subsidy layering requirements, the HCA must submit a certification to HUD and notify BangorHousing. BangorHousing may proceed to execute an AHAP at that time if the environmental approval is received.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

41.2.5 *Cap on Number of PBV Units in Each Project*

25 Percent per Project Cap

In general, BangorHousing may not select a proposal to provide PBV assistance for units in a project or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than the greater of 25 units or 25 percent of the number of dwelling units (assisted or unassisted) in the project, but can go to a maximum of 100%.

Exceptions to 25 Percent per Project Cap

As of April 18, 2017, units are not counted against the 25 percent or 25-unit per project cap if:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project

- If the project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates, the project cap is the greater of 25 units or 40 percent (instead of 25 percent) of the units in the project

HOTMA eliminated the project cap exemption for projects that serve disabled families and modified the exception for supportive services.

Under the Fostering Stable Housing Opportunities (FSHO) amendments, units exclusively made available to youth receiving FUPY/FYI assistance may be excepted from the project cap for HAP contracts first effective after December 27, 2020. For more information on excepted units for FUPY, see Chapter 19.

Projects where these caps were implemented prior to HOTMA (HAP contracts executed prior to April 18, 2017) or FSHO (contract in effect on or prior to December 27, 2020) may continue to use the former exceptions and may renew their HAP contracts under the old requirements, unless BangorHousing and owner agree to change the conditions of the HAP contract. However, this change may not be made if it would jeopardize an assisted family's eligibility for continued assistance in the project.

Supportive Services

BangorHousing will include in the Admin Plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided. As of April 18, 2017, the project must make supportive services available to all families receiving PBV assistance in the project, but the family does not actually have to accept and receive supportive services for the exception to apply to the unit, although the family must be eligible to receive the supportive services. It is not necessary that the services be provided at or by the project but must be reasonably available to families receiving PBV assistance at the project and designed to help families in the project achieve self-sufficiency or live in the community as independently as possible A PHA may not require participation in the supportive service as a condition of living in the excepted unit, although such services may be offered.

Excepted units will be limited to units for the elderly and families receiving supportive services.

Projects not Subject to a Project Cap

PBV units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD are exempt from the project cap. In other words, 100 percent of the units in these projects may receive PBV assistance.

BangorHousing does not have any PBV units that are subject to the per project cap exception.

Promoting Partially Assisted Projects

A PHA may establish local requirements designed to promote PBV assistance in partially assisted projects. A partially assisted project is a project in which there are fewer units covered by a HAP contract than residential units

A PHA may establish a per-project cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily project containing excepted units or in a single-family building. A PHA may also determine not to provide PBV assistance for excepted units, or BangorHousing may establish a per-project cap of less than 25 units or 25 percent of units.

Excepted units will be limited to units for elderly families.

Beyond that, BangorHousing will not impose any further cap on the number of PBV units assisted per project.

41.2.6 *Site Selection Standards*

Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards

BangorHousing may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless BangorHousing has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with BangorHousing Plan under 24 CFR 903 and BangorHousing administrative plan.

In addition, prior to selecting a proposal, BangorHousing must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

> It is BangorHousing goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal BangorHousing will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.
>
> However, BangorHousing will grant exceptions to the 20 percent standard where BangorHousing determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater

than 20 percent, such as sites in:

A census tract in which the proposed PBV development will be located in a HUD- designated Enterprise Zone, Economic Community, Choice Neighborhood, or Renewal Community;

A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;

A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;

A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
A census tract where there has been an overall decline in the poverty rate within the past five years; or

A census tract where there are meaningful opportunities for educational and economic advancement.

Existing and Rehabilitated Housing Site and Neighborhood Standards

BangorHousing may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

New Construction Site and Neighborhood Standards

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless BangorHousing determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

41.2.7 *Environmental Review*

BangorHousing activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The responsible entity is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). BangorHousing may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

BangorHousing may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and BangorHousing, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

BangorHousing must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. BangorHousing must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

41.3 *DWELLING UNITS*

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

41.3.1 *Housing Quality Standards*

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

Lead-based Paint

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR Part 35, Subparts A, B, H, and R, and 40 CFR 745.227, apply to the PBV program.

41.3.2 *Housing Accessibility for Persons with Disabilities*

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. BangorHousing must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

41.3.3 *Inspecting Units*

Pre-selection Inspection

BangorHousing must examine the proposed site before the proposal selection date. If the units to be assisted already exist, BangorHousing must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, BangorHousing may not execute the HAP contract until the units fully comply with HQS.

Pre-HAP Contract Inspections

BangorHousing must inspect each contract unit before execution of the HAP contract. BangorHousing may not provide assistance on behalf of the family until the unit fully complies with HQS, unless BangorHousing has adopted a policy to enter into a HAP contract for units that fail the initial HQS inspection as a result of only non-life-threatening conditions, or if the unit passed an alternative inspection.

BangorHousing will not provide assistance on behalf of the family until the unit fully complies with HQS.

Turnover Inspections

Before providing assistance to a new family in a contract unit, BangorHousing must inspect the unit. BangorHousing may not provide assistance on behalf of the family until the unit fully complies with HQS.

Annual/Biennial Inspections

At least once every 24 months during the term of the HAP contract, BangorHousing must inspect a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS.

Turnover inspections are not counted toward meeting this inspection requirement. BangorHousing also has the option in certain mixed finance properties to rely on alternative inspections conducted at least triennially.

BangorHousing will inspect on an annual basis a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS.

If more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, BangorHousing must reinspect 100 percent of the contract units in the building.

Other Inspections

BangorHousing must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. BangorHousing must take into account complaints and any other information coming to its attention in scheduling inspections.
BangorHousing must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.
In conducting PHA supervisory quality control HQS inspections, BangorHousing should include a representative sample of both tenant-based and project-based units.

Inspecting PHA-Owned Units

In the case of PHA-owned units, the inspections must be performed by an independent entity designated by BangorHousing and approved by HUD. The independent entity must furnish a copy of each inspection report to BangorHousing and to the HUD field office where the project is located. BangorHousing must take all necessary actions in response to inspection reports from the independent entity, including exercise of contractual remedies for violation of the HAP contract by BangorHousing-owner.

41.4 *REHABILITATED AND NEWLY CONSTRUCTED UNITS*

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

41.4.1 *Agreement to Enter into HAP Contract*

In order to offer PBV assistance in rehabilitated or newly constructed units, BangorHousing must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD. BangorHousing may not enter into an Agreement if commencement of construction or rehabilitation has commenced after proposal submission. Construction begins when excavation or site preparation (including clearing of the land) begins for the housing. Rehabilitation begins with the physical commencement of rehabilitation activity on the housing.

In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and BangorHousing agrees that upon timely completion of such development in accordance with the terms of the Agreement, BangorHousing will enter into a HAP contract with the owner for the contract units.

Content of the Agreement

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by BangorHousing, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Deadline for completion of the work to be performed.
- Any additional requirements for quality, architecture, or design over and above HQS.

Execution of the Agreement

The Agreement must be executed promptly after PHA notice of proposal selection to the selected owner. BangorHousing may not enter into the Agreement if construction or rehabilitation has started after proposal submission. Generally, BangorHousing may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, BangorHousing may not enter into the Agreement until the environmental review is completed and BangorHousing has received environmental approval. However, BangorHousing does not need to conduct a subsidy layering review in the case of a HAP contract for existing housing or if the applicable state or local agency has conducted such a review. Similarly, environmental reviews are not required for existing structures unless otherwise required by law or regulation.

BangorHousing will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

41.4.2 *Conduct of Development Work*

Labor Standards

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis- Bacon wages to laborers and mechanics employed in the development of housing. The HUD- prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

Further, these Davis-Bacon requirements apply to existing PBV units when the nature of any work to be performed either before the execution of the HAP contract or within 18-months after execution constitutes project development. Any development initiated on existing units within 18-months after the effective date of the HAP contract on projects with nine or more contract units triggers Davis-Bacon requirements.

When the PHA exercises its discretion at 24 CFR 983.154(f) or 983.157(a) to allow the owner to conduct some or all development activity while the proposed PBV units are not under an Agreement or HAP contract, the applicable parties must comply with the labor standards outlined above from the date of proposal submission (for housing subject to competitive selection) or from the date of the PHA's board resolution approving the project-basing of assistance at the project (for housing excepted from competitive selection).

The Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates. The addendum to the HAP contract, Form HUD-5679, also includes the required labor standards clauses.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The PHA must monitor compliance with labor standards.

For any project to which labor standards apply, the PHA's written notice to the party that submitted the selected proposal or board resolution approving project-basing of assistance at the specific project must state that any construction contracts must incorporate a Davis-Bacon contract clause and the current applicable prevailing wage determination.

Development activity is also subject to the federal equal employment opportunity requirements of Executive Orders 11246 as amended (3 CFR, 1964-1965 Comp., p. 339), 11625 (3 CFR, 1971-1975 Comp., p. 616), 12432 (3 CFR, 1983 Comp., p. 198), and 12138 (3 CFR, 1977 Comp., p. 393).

Accessibility

As applicable, the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205; the accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8, including 8.22 and 8.23; and Title II of the Americans with Disabilities Act (42 U.S.C. 12131-12134) and implementing regulations at 28 CFR Part 35, including 24 CFR 35.150 and 35.151, apply to development activity.

A description of any required work item resulting from these requirements must be included in the Agreement or HAP contract, if applicable.

Owner Disclosure

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

41.4.3 *Completion of Housing*

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

Evidence of Completion

At a minimum, the owner must submit the following evidence of completion to BangorHousing in the form and manner required by BangorHousing:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and

- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At BangorHousing's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

BangorHousing will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. BangorHousing will specify any additional documentation requirements in the Agreement to enter into HAP contract.

PHA Acceptance of Completed Units

Upon notice from the owner that the housing is completed, BangorHousing must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. BangorHousing must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, BangorHousing must not enter into the HAP contract.
If BangorHousing determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, BangorHousing must submit the HAP contract for execution by the owner and must then execute the HAP contract.

41.5 *HOUSING ASSISTANCE PAYMENTS CONTRACT*

BangorHousing must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. With the exception of single-family scattered-site projects, a HAP contract shall cover a single project. If multiple projects exist, each project is covered by a separate HAP contract. The HAP contract must be in the form required by HUD.

41.5.1 *HAP Contract Requirements*

Contract Information

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;

- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any project approved by BangorHousing that will be set aside for occupancy by qualifying families (elderly and/or disabled families and families receiving supportive services); and
- The initial rent to owner for the first 12 months of the HAP contract term.

Execution of the HAP Contract
BangorHousing may not enter into a HAP contract until each contract unit has been inspected and BangorHousing has determined that the unit complies with the Housing Quality Standards (HQS), unless BangorHousing has adopted a policy to enter into a HAP contract for units that fail the initial HQS inspection as a result of only non-life-threatening conditions. For existing housing, the HAP contract must be executed promptly after BangorHousing selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after BangorHousing has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

For existing housing, the HAP contract will be executed within 10 business days of BangorHousing determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of BangorHousing determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

Term of HAP Contract

BangorHousing may enter into a HAP contract with an owner for an initial term of no less than one year and no more than 50 years for each contract unit. The length of the term of the HAP contract for any contract unit may not be less than one year, nor more than 50 years. In the case of PHA-owned units, the term of the HAP contract must be agreed upon by BangorHousing and the independent entity approved by HUD.

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

At the time of the initial HAP contract term or any time before expiration of the HAP contract, BangorHousing may extend the term of the contract for an additional term of up to 20 years if BangorHousing determines an extension is appropriate to continue providing affordable housing for low-income families. A HAP contract extension may not exceed 20 years. A PHA may provide for multiple extensions; however, in no circumstances may such extensions exceed 20 years, cumulatively. Extensions after the initial extension are allowed at the end of any extension term, provided that not more than 24 months prior to the expiration of the previous extension contract BangorHousing agrees to extend the term, and that such extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities. Extensions after the initial extension term shall not begin prior to the expiration date of the previous extension term.

Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension. In the case of PHA-owned units, any extension of the term of the HAP contract must be agreed upon by BangorHousing and the independent entity approved by HUD.

When determining whether or not to extend an expiring PBV contract, BangorHousing will consider several factors including, but not limited to:

> The cost of extending the contract and the amount of available budget authority;
>
> The condition of the contract units;
>
> The owner's record of compliance with obligations under the HAP contract and lease(s);
>
> Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
>
> Whether the funding could be used more appropriately for tenant-based assistance.

Termination by PHA

The HAP contract must provide that the term of BangorHousing's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by BangorHousing in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

In times of insufficient funding, HUD requires that PHAs first take all cost-saving measures prior to failing to make payments under existing PBV HAP contracts.
If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, BangorHousing may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

Termination by Owner

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to BangorHousing. In this case, families living in the contract units must be offered tenant-based assistance.

Statutory Notice Requirements: Contract Termination or Expiration

Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify BangorHousing and assisted tenants of the termination. The notice must be provided in the form prescribed by HUD. If the owner does not give timely notice, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of their rent, and with no eviction as a result of the owner's inability to collect an increased tenant portion of rent. An owner may renew the terminating contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.

Upon termination or expiration of the contract, a family living at the property is entitled to receive a tenant-based voucher. Tenant-based assistance would not begin until the owner's required notice period ends. BangorHousing must provide the family with a voucher and the family must also be given the option by BangorHousing and owner to remain in their unit with HCV tenant- based assistance as long as the unit complies with inspection and rent reasonableness requirements. The family must pay their total tenant payment (TTP) and any additional amount if the gross rent exceeds the applicable payment standard. The family has the right to remain in the project as long as the units are used for rental housing and are otherwise eligible for HCV assistance. The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause. Families that receive a tenant- based voucher at the expiration or termination of the PBV HAP contract are not new admissions to BangorHousing HCV tenant-based program and are not subject to income eligibility requirements or any other admission requirements. If the family chooses to remain in their unit with tenant-based assistance, the family may do so regardless of whether the family share would initially exceed 40 percent of the family's adjusted monthly income.

Remedies for HQS Violations

BangorHousing may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If BangorHousing determines that a contract does not comply with HQS, BangorHousing may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

BangorHousing will abate and terminate PBV HAP contracts for non-compliance with housing quality standards in accordance with the policies used in the tenant-based voucher program. These policies are contained in this Admin Plan.

41.5.2 *Amendments to the HAP Contract*

Substitution of Contract Units

At BangorHousing's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit. Before any such substitution can take place, BangorHousing must inspect the proposed unit and determine the reasonable rent for the unit.

Addition of Contract Units

BangorHousing and owner may amend the HAP contract to add additional PBV contract units in projects that already have a HAP contract without having to fulfill the selection requirements found at 24 CFR 983.51(b) for those additional PBV units, regardless of when the HAP contract was signed. The additional PBV units, however, are still subject to the PBV program cap and individual project caps. Prior to attaching additional units without competition, BangorHousing must submit to the local field office information outlined in FR Notice 1/18/17. BangorHousing must also detail in the administrative plan their intent to add PBV units and the rationale for adding units to the specific PBV project.

BangorHousing will add units to the contract on a case-by-case basis to ensure the availability of affordable housing as long as the addition of units does not exceed allowable
project caps.

41.5.3 *HAP Contract Year, Anniversary and Expiration Dates*

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

41.5.4 *Owner Responsibilities under the HAP Contract*

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by BangorHousing, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit;
- The family does not own or have any interest in the contract unit (does not apply to family's membership in a cooperative); and
- Repair work on the project selected as an existing project that is performed after HAP execution within such post-execution period as specified by HUD may constitute development activity, and if determined to be development activity, the

repair work undertaken shall be in compliance with Davis-Bacon wage requirements.

41.5.5 *Additional HAP Requirements*

Housing Quality and Design Requirements

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with BangorHousing and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

BangorHousing may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement to enter into a HAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

BangorHousing will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. BangorHousing will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

Vacancy Payments

At the discretion of BangorHousing, the HAP contract may provide for vacancy payments to the owner for a PHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by BangorHousing and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

BangorHousing will decide on a case-by-case basis if BangorHousing will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

41.6 *SELECTION OF PBV PROGRAM PARTICIPANTS*

Many of the provisions of the tenant-based voucher regulations also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

41.6.1 *Eligibility for PBV Assistance*

BangorHousing may select families for the PBV program from those who are participants in BangorHousing's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be redetermined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and BangorHousing, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to BangorHousing's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. BangorHousing may also not approve a tenancy if the owner (including a principal or other interested party) of the unit is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless needed as a reasonable accommodation. An applicant family must also meet HUD requirements related to current or past criminal activity.

BangorHousing will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 3.

In-Place Families

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by BangorHousing is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on BangorHousing's waiting list. Once the family's continued eligibility is determined (BangorHousing may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and BangorHousing must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

41.6.2 *Organization of Waiting List*

BangorHousing may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and project-based assistance. BangorHousing may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by BangorHousing. If BangorHousing chooses to offer a separate waiting list for PBV assistance, BangorHousing must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

If a PHA decides to establish a separate PBV waiting list, BangorHousing may use a single waiting list for BangorHousing's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects or buildings or for sets of such units.

BangorHousing will establish and manage separate waiting lists for individual projects or buildings that are receiving PBV assistance. BangorHousing currently has waiting lists for the following PBV projects:

Autumn Park West
Yellen Pines

41.6.3 *Selection from the Waiting List*

Applicants who will occupy units with PBV assistance must be selected from BangorHousing's waiting list. BangorHousing may establish selection criteria or preferences for occupancy of particular PBV units. BangorHousing may place families referred by the PBV owner on its PBV waiting list.

Income Targeting

At least 75 percent of the families admitted to BangorHousing's tenant-based and project-based voucher programs during BangorHousing fiscal year from the waiting list must be extremely low-income families. The income targeting requirement applies to the total of admissions to both programs.

Units with Accessibility Features

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, BangorHousing must first refer families who require such features to the owner.

Preferences

BangorHousing may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. BangorHousing must provide an absolute selection preference for eligible in-place families as described in Section 17-VI.B. above.

BangorHousing may establish a selection preference for families who qualify for voluntary services, including disability-specific services, offered in conjunction with assisted units, provided that preference is consistent with BangorHousing plan, including Coordinated Entry. BangorHousing may not, however, grant a preference to a person with a specific disability.

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If BangorHousing has projects with "excepted units" for elderly families or supportive services, BangorHousing must give preference to such families when referring families to these units.

BangorHousing will provide a selection preference when required by the regulation (e.g., eligible in-place families, elderly families or units with supportive services, or mobility impaired persons for accessible units). BangorHousing will not offer any additional preferences for the PBV program or for particular PBV projects or units.

41.6.4 *Offer of PBV Assistance*

Refusal of Offer

BangorHousing is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under BangorHousing's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

Disapproval by Landlord

If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list.

Acceptance of Offer

Family Briefing

When a family accepts an offer for PBV assistance, BangorHousing must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, BangorHousing must provide a briefing packet that explains how BangorHousing determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities

If an applicant family's head or spouse is disabled, BangorHousing must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available. In addition, BangorHousing must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

Persons with Limited English Proficiency

BangorHousing should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166.

41.6.5 *Owner Section of Tenants*

The owner is responsible for developing 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 fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection.

Leasing

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by BangorHousing from BangorHousing's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on BangorHousing's subsidy standards.

Filling Vacancies

The owner must promptly notify BangorHousing of any vacancy or expected vacancy in a contract unit. After receiving such notice, BangorHousing must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. BangorHousing and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

The owner must notify BangorHousing in writing (mail, fax, or email) within five business days of learning about any vacancy or expected vacancy.

BangorHousing will make every reasonable effort to refer families to the owner within 10 business days of receiving such notice from the owner.

Reduction in HAP Contract Units Due to Vacancies

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, BangorHousing may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

If any contract units have been vacant for 120 days, BangorHousing will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. BangorHousing will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of BangorHousing's notice.

41.6.6 *Tenant Screening*

PHA Responsibility

BangorHousing is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, BangorHousing may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening.

BangorHousing will conduct screening to determine a PBV applicant family's suitability for tenancy.

BangorHousing must provide the owner with an applicant family's current and prior address (as shown in PHA records) and the name and address (if known by BangorHousing) of the family's current landlord and any prior landlords.

In addition, BangorHousing may offer the owner other information BangorHousing may have about a family, including information about the tenancy history of family members or about drug trafficking and criminal activity by family members. BangorHousing must provide applicant families a description of BangorHousing policy on providing information to owners, and BangorHousing must give the same types of information to all owners.

BangorHousing may not disclose to the owner any confidential information provided in response to a request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation.

BangorHousing will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. BangorHousing will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

Owner Responsibility

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
- Compliance with other essential conditions of tenancy.

41.7 *OCCUPANCY*

After an applicant has been selected from the waiting list, determined eligible by BangorHousing, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

41.7.1 *Lease*

The tenant must have legal capacity to enter a lease under state and local law. Legal capacity means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Form of Lease

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.
If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PHA model lease.

BangorHousing may review the owner's lease form to determine if the lease complies with state and local law. If BangorHousing determines that the lease does not comply with state or local law, BangorHousing may decline to approve the tenancy.

BangorHousing will not review the owner's lease for compliance with state or local law.

Lease Requirements

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
- The amount of any charges for food, furniture, or supportive services.

Tenancy Addendum

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by BangorHousing (the names of family members and any PHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

Initial Term and Lease Renewal

The initial lease term must be for at least one year. The lease must provide for automatic renewal after the initial term of the lease in either successive definitive terms (e.g. month-to-month or year-to-year) or an automatic indefinite extension of the lease term. For automatic indefinite extension of the lease term, the lease terminates if any of the following occur:

- The owner terminates the lease for good cause
- The tenant terminates the lease
- The owner and tenant agree to terminate the lease
- BangorHousing terminates the HAP contract

- BangorHousing terminates assistance for the family

Changes in the Lease

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give BangorHousing a copy of all changes.

The owner must notify BangorHousing in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by BangorHousing and in accordance with the terms of the lease relating to its amendment. BangorHousing must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

Owner Termination of Tenancy

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for "good cause" does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

Tenant Absence from the Unit

The lease may specify a maximum period of family absence from the unit that may be shorter than the maximum period permitted by PHA policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 180 consecutive days. PHA termination of assistance actions due to family absence from the unit are subject to 24 CFR 981.312, except that the unit is not terminated from the HAP contract if the family is absent for longer than the maximum period permitted.

Continuation of Housing Assistance Payments

Housing assistance payments shall continue until the tenant rent equals the rent to owner. The cessation of housing assistance payments at such point will not affect the family's other rights under its lease, nor will such cessation preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances if such changes occur within 180 days following the date of the last housing assistance payment by BangorHousing. After the 180-day period, the unit shall be removed from the HAP contract pursuant to 24 CFR 983.211.

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify BangorHousing of the change and request an interim reexamination before the expiration of the 180-day period.

Security Deposits

The owner may collect a security deposit from the tenant. BangorHousing may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

BangorHousing will allow the owner to collect a security deposit amount the owner determines is appropriate.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. BangorHousing has no liability or responsibility for payment of any amount owed by the family to the owner.

41.7.2 *Moves*

Overcrowded, Under-Occupied, and Accessible Units

If BangorHousing determines that a family is occupying a wrong size unit, based on BangorHousing's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, BangorHousing must promptly notify the family and the owner of this determination, and BangorHousing must offer the family the opportunity to receive continued housing assistance in another unit.

BangorHousing will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of BangorHousing's determination. BangorHousing will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

PBV assistance in the same building or project;
PBV assistance in another project; and
Tenant-based voucher assistance.

If BangorHousing offers the family a tenant-based voucher, BangorHousing must terminate the housing assistance payments for a wrong-sized or accessible unit at the earlier of the expiration of the term of the family's voucher (including any extension granted by BangorHousing) or the date upon which the family vacates the unit. If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the term of the family's voucher, BangorHousing must remove the unit from the HAP contract.

If BangorHousing offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by BangorHousing, or both, BangorHousing must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by BangorHousing and remove the unit from the HAP contract.

When BangorHousing offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, BangorHousing will terminate the housing assistance payments at the expiration of this 30-day period.

BangorHousing may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

Family Right to Move

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to BangorHousing. If the family wishes to move with continued tenant-based assistance, the family must contact BangorHousing to request the rental assistance prior to providing notice to terminate the lease.
If the family terminates the lease in accordance with these requirements, BangorHousing is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, BangorHousing must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

Emergency Transfers under VAWA

Except where special consideration is needed for the project-based voucher program, BangorHousing will follow VAWA policies as outlined in this Admin Plan, including using the Emergency Transfer Plan as the basis for PBV transfers under VAWA.

HUD requires that BangorHousing include policies that address when a victim has been living in a unit for less than a year or when a victim seeks to move sooner than a tenant-based voucher is available.

When the victim of domestic violence, dating violence, sexual assault, or stalking has lived in the unit for less than one year, BangorHousing will provide several options for continued assistance.

BangorHousing will first try to transfer the participant to another PBV unit in the same development or transfer to a different development where BangorHousing has PBV units. BangorHousing will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external transfer to either tenant-based rental assistance (HCV) or assistance in BangorHousing's public housing program. Such a decision will be made by BangorHousing based on the availability of tenant-based vouchers and/or vacancies in public housing units. Such families must be selected from the waiting list for the applicable program. BangorHousing has adopted a waiting list preference for victims of domestic violence, dating violence, sexual assault, and stalking in both its HCV and public housing programs in order to expedite this process. See Section 4-III.C. of this administrative plan.

If a victim wishes to move after a year of occupancy in the unit, but no tenant-based vouchers are available, BangorHousing will offer the participant an internal transfer to another PBV unit in the same development or a transfer to a different development where BangorHousing has PBV units. BangorHousing will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external transfer to BangorHousing's public housing program. BangorHousing has adopted a waiting list preference for victims of domestic violence, dating violence, sexual assault, and stalking as part of the public housing ACOP in order to expedite this process.

41.7.3 *Exceptions to the Occupancy Cap*

As of April 17, 2018, BangorHousing may not pay housing assistance under a PBV HAP contract for more than the greater of 25 units or 25 percent of the number of dwelling units in a project unless:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project.
- BangorHousing determines to provide up to 100%.

If the project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates, the project cap is the greater of 25 units or 40 percent (instead of 25 percent) of the units in the project.

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by BangorHousing and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit. However, if the FSS family fails to successfully complete the FSS contract of participation or supportive services objective and consequently is no longer eligible for the supportive services, the family must vacate the unit within a reasonable period of time established by BangorHousing, and BangorHousing shall cease paying HAP on behalf of the family.
Further, when a family (or remaining members of a family) residing in an excepted unit no longer meets the criteria for a "qualifying family" because the family is no longer an elderly family due to a change in family composition, BangorHousing has the discretion to allow the family to remain in the excepted unit. If BangorHousing does not exercise this discretion, the family must vacate the unit within a reasonable period of time established by BangorHousing, and BangorHousing must cease paying housing assistance payments on behalf of the non-qualifying family.

Individuals in units with supportive services who choose to no longer participate in a service or who no longer qualify for services they qualified for at the time of initial occupancy cannot subsequently be denied continued housing opportunity because of this changed circumstance. A PHA or owner cannot determine that a participant's needs exceed the level of care offered by qualifying services or require that individuals be transitioned to different projects based on service needs.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by BangorHousing.

BangorHousing may allow a family that initially qualified for occupancy of an excepted unit based on elderly family status to continue to reside in a unit, where through circumstances beyond the control of the family (e.g., death of the elderly family member or long-term or permanent hospitalization or nursing care), the elderly family member no longer resides in the unit. In this case, the unit may continue to be counted as an excepted unit for as long as the family resides in that unit. Once the family vacates the unit, in order to continue as an excepted unit under the HAP contract, the unit must be made available to and occupied by a qualified family.

BangorHousing will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to circumstances beyond the remaining family members' control.

In all other cases, BangorHousing will provide written notice to the family and owner within 10 business days of making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame, BangorHousing will terminate the housing assistance payments at the expiration of this 30-day period.

BangorHousing may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

41.8 *DETERMINING RENT TO OWNER*

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that there is a ten percent or greater decrease in the published FMR.

41.8.1 *Rent Limits*

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by BangorHousing, not to exceed 120 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

Certain Tax Credit Units

For certain tax credit units, the rent limits are determined differently than for other PBV units. Different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same project, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds 110 percent of the fair market rent or any approved exception payment standard;

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

Definitions

A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the project that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Reasonable Rent

BangorHousing must determine reasonable rent in accordable with 24 CFR 983.303. The rent to owner for each contract unit may at no time exceed the reasonable rent, except in cases where BangorHousing has elected within the HAP contract not to reduce rents below the initial rent to owner and, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent. However, the rent to owner must be reduced in the following cases:

- To correct errors in calculations in accordable with HUD requirements
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 24 CFR 983.55
- If a decrease in rent to owner is required based on changes in the allocation of the responsibility for utilities between owner and tenant.

If BangorHousing has not elected within the HAP contract to establish the initial rent to owner as the rent floor, the rent to owner shall not at any time exceed the reasonable rent.

BangorHousing will elect within the HAP contract not to reduce rents below the initial level, with the exception of circumstances listed in 24 CFR 983.302(c)(2). If, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent, BangorHousing will use the higher initial rent to owner amount.

Use of FMRs, Exception Payment Standards, and Utility Allowances

When determining the initial rent to owner, BangorHousing must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, BangorHousing must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, BangorHousing may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program.

Likewise, BangorHousing may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

Upon written request by the owner, BangorHousing will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. BangorHousing will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, BangorHousing may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent, if BangorHousing determines it is necessary due to PHA budgetary constraints.

Use of Small Area FMRs (SAFMRs)

While small area FMRs (SAFMRs) do not apply to PBV projects, PHAs that operate a tenant-based program under SAFMRs may apply SAFMRs to all future PBV HAP contracts. If BangorHousing adopts this policy, it must apply to all future PBV projects and BangorHousing's entire jurisdiction. BangorHousing and owner may not subsequently choose to revert back to use of the FMRs once the SAFMRs have been adopted, even if BangorHousing subsequently changes its policy.

Further, BangorHousing may apply SAFMRs to current PBV projects where the notice of owner selection was made on or before the effective date of PHA implementation, provided the owner is willing to mutually agree to doing so and the application is prospective. BangorHousing and owner may not subsequently choose to revert back to use of the FMRs once the SAFMRs have been adopted, even if BangorHousing subsequently changes its policy. If rents increase as a result of the use of SAFMRs, the rent increase may not be effective until the first anniversary of the HAP contract.

BangorHousing will not apply SAFMRs to BangorHousing's PBV program.

Redetermination of Rent

BangorHousing must redetermine the rent to owner upon the owner's request or when there is a 10 percent or greater decrease in the published FMR.

Rent Increase

If an owner wishes to request an increase in the rent to owner from BangorHousing, it must be requested at the annual anniversary of the HAP contract (see Section 17-V.D.). The request must be in writing and in the form and manner required by BangorHousing. BangorHousing may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

An owner's request for a rent increase must be submitted to BangorHousing 60 days prior to the anniversary date of the HAP contract and must include the new rent amount the owner is proposing.

BangorHousing may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Rent Decrease

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment, except where BangorHousing has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

Notice of Rent Change

The rent to owner is redetermined by written notice by BangorHousing to the owner specifying the amount of the redetermined rent. BangorHousing notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

BangorHousing will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

PHA-Owned Units

For PHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. BangorHousing must use the rent to owner established by the independent entity.

RAD-PBV Units

Once the contract rent is established, the standard PBV rent determination rules apply when calculating the family's share of rent with one exception. If the amount the tenant would pay for rent and utilities would increase purely as a result of the RAD conversion by more than the greater of 10 percent or $25, the rent increase must be phased in over 3 years.

41.8.2 *Reasonable Rent*

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by BangorHousing, except where BangorHousing has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

When Rent Reasonable Determinations Are Required

BangorHousing must redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a 10 percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- BangorHousing approves a change in the allocation of responsibility for utilities between the owner and the tenant;

- The HAP contract is amended to substitute a different contract unit in the same building or project; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, BangorHousing must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

Comparability Analysis

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project- based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by BangorHousing. The comparability analysis may be performed by PHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

PHA-Owned Units

For PHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for PHA-owned units to BangorHousing and to the HUD field office where the project is located.

Owner Certification of Reasonable Rent

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, BangorHousing may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

41.8.3 *Effect of Other Subsidy and Rent Control*

In addition to the rent limits discussed in above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance.

Other Subsidy

To comply with HUD subsidy layering requirements, at the discretion of HUD or its designee, a PHA shall reduce the rent to owner because of other governmental subsidies, including tax credits or tax exemptions, grants, or other subsidized funding.
For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- Any other type of federally subsidized project specified by HUD.

Combining Subsidy

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

Rent Control

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

41.9 *PAYMENTS TO OWNER*

41.9.1 *Housing Assistance Payments*

During the term of the HAP contract, BangorHousing must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and BangorHousing agree on a later date.

Except for discretionary vacancy payments, BangorHousing may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by BangorHousing is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

41.9.2 *Vacancy Payments*

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if BangorHousing determines that the vacancy is the owner's fault.

If BangorHousing determines that the owner is responsible for a vacancy and, as a result, is not entitled to the keep the housing assistance payment, BangorHousing will notify the landlord of the amount of housing assistance payment that the owner must repay. BangorHousing will require the owner to repay the amount owed in accordance with the policies in this Admin Plan.

At the discretion of BangorHousing, the HAP contract may provide for vacancy payments to the owner. BangorHousing may only make vacancy payments if:

- The owner gives BangorHousing prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by BangorHousing to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by BangorHousing and must provide any information or substantiation required by BangorHousing to determine the amount of any vacancy payment.

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified BangorHousing of the vacancy in accordance with the policy in this Admin Plan regarding filling vacancies.

In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and BangorHousing may require the owner to provide documentation to support the request. If the owner does not provide the information requested by BangorHousing within 10 business days of BangorHousing's request, no vacancy payments will be made.

41.9.3 *Tenant Rent to Owner*

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by BangorHousing in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in BangorHousing notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by BangorHousing is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by BangorHousing. The owner must immediately return any excess payment to the tenant.

Tenant and PHA Responsibilities

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by BangorHousing.

Likewise, BangorHousing is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. BangorHousing is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. BangorHousing may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

Utility Reimbursements

If the amount of the utility allowance exceeds the total tenant payment, BangorHousing must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

BangorHousing may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If BangorHousing chooses to pay the utility supplier directly, BangorHousing must notify the family of the amount paid to the utility supplier.

BangorHousing will make utility reimbursements to the family.

41.9.4 *Other Fees and Charges*

Meals and Supportive Services

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

Other Charges by Owner

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

GLOSSARY

50058 Form: The HUD form that housing authorities are required to complete and electronically submit to HUD for each assisted household in public housing to record information used in the certification and re-certification process and, at the option of BangorHousing, for interim reexaminations. Housing Authorities must retain at a minimum the last three years of the form 50058, and supporting documentation, during the term of each assisted lease, and for a period of at least three years from the end of participation date. Electronic retention of form HUD 50058 and HUD 50058-FSS and supporting documentation fulfills the record retention requirement.

1937 Housing Act: The United States Housing Act of 1937 [42 U.S.C. 1437 et seq.]

Absorption: In portability, the point at which a receiving BangorHousing stops billing the initial BangorHousing for assistance on behalf of a portable family. [24 CFR 982.4]

Adjusted Annual Income: The amount of household income, after deductions for specified allowances, on which a participant's rent is based.

Administrative fee: Fee paid by HUD to BangorHousing for the administration of the program.

Administrative Plan: The plan that describes BangorHousing policies for the administration of the tenant-based programs.

Admission: The point when the family becomes a participant in the program. In a tenant-based program, the date used for this purpose is the effective date of the first HAP Contract for a family (first day of initial lease term).

Adult: A household member who is 18 years or older or who is the head of the household, or spouse, or co-head. An emancipated minor is also considered an adult. An adult must have the legal capacity to enter a lease under State and local law. In the anti-drug portions of this policy, it also refers to a minor who has been convicted of a crime as an adult under any Federal, State or tribal law.

Allowances: Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly and disabled families, disability expenses, and child care expenses for children under 13 years of age. Other allowances can be given at the discretion of BangorHousing.

Amortization Payment: In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home. If furniture was included in the purchase price, the debt service must be reduced by 15% to exclude the cost of the furniture. The amortization cost is the initial financing, not refinancing. Set-up charges may be included in the monthly amortization payment.

Annual Contributions Contract (ACC): The written contract between HUD and a Housing Authority under which HUD agrees to provide funding for a program under the 1937 Act, and the Housing Authority agrees to comply with HUD requirements for the program.

Annual Income: All amounts, monetary or not, that:

a. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or

b. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

c. Are not specifically excluded from Annual Income.

d. Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access.

Applicant (applicant family): A family that has applied for admission to a program but is not yet a participant in the program.

Assets:see net family assets.

Asset Income: Income received from assets held by household members. If assets total more than $5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income.

Assisted lease (lease): A written agreement between an owner and a family for the leasing of a dwelling unit to the family. 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 BangorHousing.

Bifurcate: with respect to a public housing or HCV lease, it means to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

Business Days: Days BangorHousing is open for business.

Certification: The examination of a household's income, expenses, and family composition to determine the household's eligibility for program participation and to calculate the household's rent for the following 12 months.

Child: For purposes of citizenship regulations, a member of the family other than the family head or spouse who is under 18 years of age.

Child care expenses: Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen: A citizen or national of the United States.

Common space: In shared housing: Space available for use by the assisted family and other occupants of the unit.

Congregate housing: Housing for elderly or persons with disabilities that meets the HQS for congregate housing.

Consent form: Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participants to determine eligibility or level of benefits.

Contiguous MSA: In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial Housing Authority is located.

Continuously assisted: An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the Housing Choice Voucher Program or is temporarily residing in a shelter for a legitimate reason.

Coordinated Entry: A process that standardizes the way individuals and families at risk of homelessness or experiencing homelessness access are assessed for and referred to the housing and services that they need for housing stability

Cooperative: Housing owned by a corporation or association, and where a member of the corporation or association has the right to reside in a particular unit, and to participate in management of the housing.

Cooperative member: A family of which one or more members owns membership shares in a cooperative.

Covered Families: Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

Covered Person: For purposes of the anti-drug provisions of this policy, a covered person is a resident, any member of the resident's household, a guest or another person under the resident's control.

Currently engaging in: With respect to behavior such as illegal use of a drug, other drug-related criminal activity, or other criminal activity, currently engaging in means that the individual has engaged in the behavior recently enough to justify a reasonable belief that the individual's behavior is current.

Dating Violence: Violence committed by a person: (A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.

Decent, safe, and sanitary: Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

Department: The Department of Housing and Urban Development.

Dependent: A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Disability assistance expenses: Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled family: A family whose head (including co-head), spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person: See "person with disabilities."

Displaced family: A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Displaced person: A person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Domestic Violence: Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim share a child in common, by a person who is cohabitated with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult, youth victim, affiliated person or intimate partner, who is protected from that persons acts under the domestic or family violence laws of the jurisdiction.

Domicile: The legal residence of the household head or spouse as determined in accordance with State and local law.

Drug: means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity: The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

Drug trafficking: The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance.

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

Economic self-sufficiency program: Any program designed to encourage, assist, train or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities.

Elderly family: A family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

Elderly person: A person who is at least 62 years of age.

Evidence of citizenship or eligible status: The documents that must be submitted to evidence citizenship or eligible immigration status.

Exception rent: An amount that exceeds the published fair market rent.

Extremely low-income families: Those families whose incomes do not exceed 30% of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

Fair Housing Act: Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.).

Fair market rent (FMR): The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately-owned existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs are published periodically in the Federal Register.

Family: as defined in this Admin Plan.

Family members: include all household members except live-in aides, foster children and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the HUD-50058 form.

Family Rent to Owner: In the housing choice voucher program, the portion of rent to owner paid by the family.

Family self-sufficiency program (FSS program): The program established by a Housing Authority to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

Family share: The portion of rent and utilities paid by the family or the gross rent minus the amount of the housing assistance payment.

Family unit size: The appropriate number of bedrooms for a family as determined by BangorHousing under BangorHousing's subsidy standards.

First-time homeowner: In the homeownership option, a family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term ``first-time homeowner'' includes a single parent or displaced homemaker (as those terms are defined in 12 U.S.C. 12713) who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.

50058 Form: The HUD form that housing authorities are required to complete for each assisted household in public housing to record information used in the certification and re-certification process, and, at the option of BangorHousing, for interim reexaminations.

FMR/exception rent limit: The HCV existing housing fair market rent published by HUD headquarters, or any exception rent. For a tenancy in the Housing Choice Voucher Program, BangorHousing may adopt a payment standard up to the FMR/exception rent limit.

Full-time employment: Employment that averages at least 30 hours per week. This can include self-employment as long as the employees earns at least the average of the federal minimum wage over a 30-hour period.

Full-time student: A person who is attending school or vocational training on a full-time basis as defined by the institution.

Gender identity: Actual or perceived gender-related characteristics.

Gross rent: The sum of the rent to the owner plus any utilities.

Group Home: A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

Guest: Means a person temporarily staying in the unit with the consent of a resident or other member of the household who has express or implied authority to so consent on behalf of the resident.

Head of household: The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

Home: In the homeownership option: A dwelling unit for which BangorHousing pays homeownership assistance.

Homeowner: In the homeownership option, a family of which one or more members owns title to the home.

Homeownership assistance: In the homeownership option, monthly homeownership assistance payments by BangorHousing. Homeownership assistance payment may be paid to the family, or to a mortgage lender on behalf of the family.

Homeownership expenses: In the homeownership option, a family's allowable monthly expenses for the home, as determined by the BangorHousing in accordance with HUD requirements.

Homeownership option: Assistance for a homeowner or cooperative member under Sec. 982.625 to Sec. 982.641. A special housing type.

Household members: include all individuals who reside or will reside in the unit and who are listed on the lease, including live-in aides, foster children and foster adults.

Housing Assistance Payment (HAP): The monthly assistance by a BangorHousing, which includes (1) a payment to the owner for rent to the owner under the family's lease, and (2) an additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing quality standards (HQS): The HUD minimum quality standards for housing assisted under the HCV program.

Housing voucher: A document issued by a Housing Authority to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for Housing Authority approval of a unit selected by the family. The housing choice voucher also states the obligations of the family under the program.

Housing choice voucher holder: A family that has an unexpired housing choice voucher.

Immediate Family Member: a spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or any other person living in the household of that person and related to that person by blood or marriage.

Imputed income: For households with net family assets of more than $5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used in determining annual income.

Imputed welfare income: The amount of annual income not actually received by a family, as a result of a welfare benefit reduction for welfare fraud or the failure to comply with economic self-sufficiency requirements, that is nonetheless included in the family's annual income for purposes of determining rent.

Income category: Designates a family's income range. There are three categories: low income, very low income and extremely low-income.

Incremental income: The increased portion of income between the total amount of welfare and earnings of a family member prior to enrollment in a training program and welfare and earnings of the family member after enrollment in the training program. All other amounts, increases and decreases, are treated in the usual manner in determining annual income.

Initial Housing Authority: In portability, both: (1) a Housing Authority that originally selected a family that later decides to move out of the jurisdiction of the selecting Housing Authority; and (2) a Housing Authority that absorbed a family that later decides to move out of the jurisdiction of the absorbing Housing Authority.

Initial payment standard: The payment standard at the beginning of the HAP contract term.

Initial rent to owner: The rent to owner at the beginning of the initial lease term.

Interest in the home: In the homeownership option:

a. In the case of assistance for a homeowner, "interest in the home" includes title to the home, any lease or other right to occupy the home, or any other present interest in the home.

b. In the case of assistance for a cooperative member, "interest in the home" includes ownership of membership shares in the cooperative, any lease or other right to occupy the home, or any other present interest in the home.

Interim (examination): A reexamination of a household's income, expenses, and household status conducted between the annual recertifications when a change in a household's circumstances warrant such a reexamination.

Jurisdiction: The area in which BangorHousing has authority under State and local law to administer the program.

Law enforcement agency: The National Crime Information Center (NCIC), police departments and other law enforcement agencies that hold criminal conviction records.

Lease: A written agreement between an owner and participant for the leasing of a dwelling unit to the resident. 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 BangorHousing.

Legal capacity: The participant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Live-in aide: A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

a. Is determined to be essential to the care and well-being of the persons;

b. Is not obligated for the support of the persons; and

c. Would not be living in the unit except to provide the necessary supportive services.

A live-in aide is not a party to the lease.

Low-income families: Those families whose incomes do not exceed 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80% of the median for the area on the basis of HUD's findings that such variations are necessary because of unusually high or low family incomes.

Manufactured home: A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.

Manufacture home space: In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space.

Medical expenses: Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.

Membership shares: In the homeownership option, shares in a cooperative. By owning such cooperative shares, the share-owner has the right to reside in a particular unit in the cooperative, and the right to participate in management of the housing.

Mixed family: A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Moderate rehabilitation: Rehabilitation involving a minimum expenditure of $1000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to:

a. upgrade to decent, safe and sanitary condition to comply with the Housing Quality Standards or other standards approved by HUD, from a condition below these standards (improvements being of a modest nature and other than routine maintenance); or

b. repair or replace major building systems or components in danger of failure.

Monthly adjusted income: One twelfth of adjusted income.

Monthly income: One twelfth of annual income.

Mutual housing is included in the definition of "cooperative".

National: A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

Near-elderly family: A family whose head (including co-head), spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons who are at least 50 years of age but below the age of 62 living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

Net family assets:

a. Net cash value after deducting reasonable costs that would be incurred in disposal of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

b. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.

c. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or resident for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

d. For purposes of determining annual income under HCV Homeownership, the term “net family assets”' does not include the value of a home currently being purchased with assistance under the HCV Homeownership Program. This exclusion is limited to the first 10 years after the purchase date of the home.

Noncitizen: A person who is neither a citizen nor national of the United States.

Notice Of Funding Availability (NOFA): For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

Occupancy standards: The standards that BangorHousing establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

Other person under the tenant's control: For the purposes of the definition of covered person it means the person, although not staying as a guest (as defined in this section) in the unit, is, or was at the time of the activity in question, on the premises (as premises is defined in this section) because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant's control.

Owner: Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing. In the anti-drug related Areas of this policy, it means the owner of federally assisted housing.

Participant (participant family): A family that has been admitted to BangorHousing's program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by BangorHousing for the family (first day of initial lease).

Payment standard: In a housing choice voucher tenancy, the maximum monthly assistance payment for a family (before deducting the total tenant payment by family contribution). For a housing choice voucher tenancy, BangorHousing sets a payment standard in the range from 90% to 110% of the current FMR.

Permanently absent: A person or persons not actually residing in the unit who once lived there and does not intend to return. One becomes permanently absent when one vacates the unit.

Person with disabilities: A person who:

A. Has a disability as defined in 42 U.S.C. 423

B. Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:

   1. Is expected to be of long-continued and indefinite duration;

   2. Substantially impedes his or her ability to live independently; and

   3. Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or

C. Has a developmental disability as defined in 42 U.S.C. 6001

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

For purposes of qualifying for low-income housing, it does not include a person whose disability is based solely on any drug or alcohol dependence.

Portability: Renting a dwelling unit with HCV tenant-based assistance outside the jurisdiction of the initial Housing Authority.

Premises: The building or complex in which the dwelling unit is located, including common areas and grounds. For purposes of the anti-drug provisions of this policy it means the building or complex or development in which the public or assisted housing dwelling unit is located, including common areas and grounds.

Present ownership interest: In the homeownership option, "Present ownership option" in a residence includes title, in whole or in part, to a residence, or ownership, in whole or in part, of membership shares in a cooperative. "Present ownership interest" in a residence does not include the right to purchase title to the residence under a lease-purchase agreement.

Preservation: This program encourages owners of eligible multifamily housing projects to preserve low-income housing affordability and availability while reducing the long-term cost of providing rental assistance. The program offers several approaches to restructuring the debt of properties developed with project-based HCV assistance whose HAP contracts are about to expire.

Private space: In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

Processing Entity: The person or entity who is responsible for making eligibility and related determinations and an income reexamination. In the HCV and public housing programs the processing entity is the responsibility entity.

Project-Based Assistance Program: A HCV program administered by an BangorHousing pursuant to 24 CFR part 983, as amended by HUD in the Federal Register, Vol. 66, No. 10 on January 16, 2001 *Revisions to PHA Project-Based Assistance Program; Initial Guidance.*

Proration of assistance: The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance.

Public Housing: Housing assisted under the 1937 Act, other than under HCV. Public housing includes dwelling units in a mixed finance project that are assisted by a PHA with capital or operating funds.

Public Housing Agency: A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing.

Real Property: as used herein has the same meaning as that provided under the law of the State in which the property is located.

Reasonable rent: A rent to owner that is not more than charged: (a) for comparable units in the private unassisted market; and (b) for a comparable unassisted unit in the premises.

Receiving Housing Authority: In portability, a Housing Authority that receives a family selected for participation in the tenant-based program of another Housing Authority. The receiving Housing Authority issues a housing choice voucher, and provides program assistance to the family.

Re-certification: A reexamination of a household's income, expenses, and family composition to determine the household's rent for the following 12 months.

Remaining member of a tenant family: A member of the family listed on the lease who continues to live in an assisted household after all other family members have left.

Rent to owner: The monthly rent payable to the owner under the lease. Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.

Responsible Entity:

A. For the public housing program, the HCV tenant-based assistance program 24 CFR 982), and the HCV project-based voucher program (24 CFR 983), and the HCV moderate rehabilitation program (24 CFR 882), responsible entity means BangorHousing administering the program under an ACC with HUD;

B. For all other HCV programs, responsible entity means the HCV project owner.

Risk assessment: In the context of lead-based paint it means an on-site investigation to determine and report the existence, nature, severity, and location of lead-based paint hazards in residential dwellings, including:

A. Information gathering regarding the age and history of the housing and occupancy by children under age 6;

B. Visual inspection;

C. Limited wipe sampling or other environmental sampling techniques;

D. Other activity as may be appropriate; and

E. Provision of a report explaining the results of the investigation.

Set-up charges: In a manufactured home space rental, charges payable by the family for assembly, skirting and anchoring the manufactured home.

Sexual orientation: Homosexuality, heterosexuality, or bisexuality.

Shared housing: A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family.

Shelter allowance: That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

Single person: Someone living alone or intending to live alone who does not qualify as an elderly person, a person with disabilities, a displaced person, or the remaining member of a tenant family.

Single room occupancy housing (SRO): A unit for occupancy by a single eligible individual capable of independent living that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities.

Special admission: Admission of an applicant that is not on BangorHousing waiting list, or admission without considering the applicant's waiting list position.

Special housing types: Special housing types include: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

Specified welfare benefit reduction:

A. A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection wit the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

B. "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

1. at the expiration of a lifetime or other time limit on the payment of welfare benefits;

2. because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

3. because a family member has not complied with other welfare agency requirements.

Stalking: to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person.

State Wage Information Collection Agency (SWICA): The State agency receiving quarterly wage reports from employers in the State, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Statement of family responsibility: An agreement in the form prescribed by HUD, between BangorHousing and a family to be assisted under the Moderate Rehabilitation Program, stating the obligations and responsibilities of the family.

Statement of homeowner obligations: In the homeownership option, the family's agreement to comply with program obligations.

Subsidy standards: Standards established by a BangorHousing to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension: Stopping the clock on the term of a family's housing choice voucher, for such period as determined by BangorHousing, from the time when the family submits a request for BangorHousing approval to lease a unit, until the time when BangorHousing approves or denies the request. Also referred to as tolling.

Temporarily absent: A person or persons not actually residing in a unit for a period of time while still maintaining control of the unit. If the absence exceeds **THIRTY** (**30**) calendar days, BangorHousing must agree to the absence.

Tenant: The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Third-party (verification): Oral or written confirmation of a household's income, expenses, or household composition provided by a source outside the household, such as an employer, doctor, school official, etc.

Tolling: see suspension.

Total tenant payment (TTP):

(1) Total tenant payment is the amount calculated under Section 3(a)(1) of the 1937 Act which is the higher of :

a. 30% of the family's monthly adjusted income;

b. 10% of the family's monthly income;

c. Minimum rent; or

d. if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.

(2) If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under Section 3(a)(1) shall be the amount resulting from one application of the percentage.

Unearned Income: annual income, as calculated under § 5.609, that is not earned income.

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

Utility hook-up charge: In a manufactured home space rental, costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

Utility reimbursement: The portion of the housing assistance payment that exceeds the amount of the rent to owner. It is only paid when the housing assistance payment exceeds the rent to owner. If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

VAWA: The Violence Against Women and Department of Justice Reauthorization Act of 2005 (Pub. L. 109-162, approved August 28, 2006), as amended by the U.S. Housing Act of 1937 (42 U.S.C. 1437d and 42 U.S. 1437f).

Verification:

a. The process of obtaining statements from individuals who can attest to the accuracy of the amounts of income, expenses, or household member status (e.g., employers, public assistance agency staff, doctors).

b. The three types of verification are:

   (1) Third-party verification, either written or oral, obtained from employers, public assistance agencies, schools, etc.

   (2) Documentation such as a copy of a birth certificate or bank statement

   (3) Family certification or declaration (only used when third-party or documentation verification is not available)

Very low-income families: Families whose incomes do not exceed 50% of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50% of the median for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

Violent criminal activity: Means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

Voucher (rental voucher): A document issued by a BangorHousing to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for BangorHousing approval of a unit selected by the family and states the obligations of the family under the program.

Voucher holder: A family holding a housing choice voucher with unexpired search time.

Waiting list admission: An admission from BangorHousing waiting list. [24 CFR 982.4]

Welfare Assistance: Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments (including assistance provided under the Temporary Assistance for Needy Families (TANF) program, as that term is defined under the implementing regulations issued by the Department of Health and Human Services at 45 CFR 260.31).

45 CFR 260.31 defines the term “assistance” to include cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

It includes such benefits even when they are:

A. Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and

B. Conditioned on participation in work experience or community service (or any other work activity under 45 CFR 261.30).

Except where excluded later in this definition, it also includes supportive services such as transportation and childcare provided to families who are not employed.

The term “assistance” excludes:

A. Nonrecurrent, short-term benefits that:

1. Are designed to deal with a specific crisis situation or episode of need;

2. Are not intended to meet recurrent or ongoing needs; and

3. Will not extend beyond four months.

B. Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

C. Supportive services such as child care and transportation provided to families who are employed;

D. Refundable earned income tax credits;

E. Contributions to, and distributions from, Individual Development Accounts;

F. Services such as counseling, case management, peer support, childcare information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and

G. Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Act, to an individual who is not otherwise receiving assistance.

Welfare rent: In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

Welfare -to-Work (WTW) families: Families assisted with housing choice voucher funding awarded under the HUD welfare-to-work voucher program.

Written notification: All written notifications required in this policy shall be hand delivered with a signed receipt or mailed via first class mail unless specified otherwise.

ACRONYMS

ACC	Annual Contributions Contract
CACC	Consolidated Annual Contributions Contract
CFR	Code of Federal Regulations
FMR	Fair Market Rent
FSS	Family Self Sufficiency (program)
HA	BangorHousing
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
INS	(U.S.) Immigration and Naturalization Service
NAHA	(Cranston-Gonzalez) National Affordable Housing Act
NOFA	Notice of Funding Availability
OMB	(U.S.) Office of Management and Budget
QHWRA	Quality Housing and Work Responsibility Act of 1998
PHA	Public Housing Agency
TTP	Total Tenant Payment

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Regarding:
Capital Fund Program (CFP)
Amendment to the Consolidated Contributions Contract
ME01P00950124

Attachment 5

Substantial Deviation, Significant Amendment/Modification Statement

Substantial deviations or significant amendments or modifications are defined as discretionary changes in the plans or policies of the Housing Authority of the City of Bangor that fundamentally change the mission, goals, objectives, or plans of the agency and which require formal approval of the Board of Commissioners. Such changes may include changes to rent and/or admissions policies, additions of non-emergency work items that are not included in the Annual Statement or Five-Year Plan, additions of new activities that are not included in the current plan, any change with regard to demolition, disposition, designation, homeownership programs, or conversion activities.

________________________________ ____________

Executive Director or Authorized Agent: Date:
Housing Authority of the City of Bangor

Attachment 6

Definition of Significant Amendment and Substantial Deviation/Modification

Substantial deviations and significant amendments or modifications are defined as discretionary changes in the plans or policies of BangorHousing that fundamentally change the mission, goals, objectives, or plans of the agency and which require formal approval of the Board of Commissioners.

Attachment 7
Statement of New Activities

BangorHousing will continue to evaluate mixed-finance, demolition and/or disposition of projects. It expects to apply for a Section 18 disposition for Nason Park (50 units), conversion to the Rental Assistance Demonstration ("RAD") program for Capehart (442 units), and a RAD/Section 18 Demolition/Disposition of Birch Circle (25 units) and Griffin Park (50 units), to improve its assets and make important capital improvements. The plans for Birch Circle and Griffin Park were more thoroughly described in BangorHousing's Amendment to its 2026 Annual Plan.

BangorHousing will also explore the disposition of real property located on Hancock Street, Ohio Street and Davis Road in Bangor.

In addition, BangorHousing will consider applying for PBV's should they become available and will consider executing a project-based contract for new affordable housing project, to assist in the preservation of existing housing, or in the construction of new senior housing. BangorHousing will also apply for Shortfall Funds as necessary.

BangorHousing will continue to participate in the FSS and ROSS programs and will apply for additional funding. BangorHousing may also consider mandatory work requirements and participation in FSS.

BangorHousing will designate units as HUD-approved vacancies to assist in renovation of existing units within AMPs.

BangorHousing will reallocate any unused Faircloth authority resulting from the Section 18 Demolition/Disposition of Nason Park Manor.

BangorHousing will apply for a Choice Neighborhood grant to transform its public housing portfolio. In addition, BangorHousing, with other housing authorities in Maine, will explore and evaluate its ability to issue tax-exempt bonds to assist with development efforts.

BangorHousing will seek approval for Capital Fund Finance Program transactions using future Capital Fund Program funds for debt service for planned Capital Improvement Work items.

In 2022, BangorHousing was designated as a Moving to Work agency as part of the Asset Building Cohort. BangorHousing began the implementation of MTW policies, effective January 1, 2024. Those policies were and will be described further in the MTW Supplement to the Annual Plan. BangorHousing will continue to comply with all MTW objectives, statutory and regulatory requirements, and applicable notices. BangorHousing will evaluate existing programs and services to identify potential collaborations or consolidation of programs with other housing authorities, especially under MTW regionalization in PIH Notice 2023-08.

Attachment 8

Report of the Housing Authority of the City of Bangor's Progress in Meeting its Mission and Goals Described in its 5-Year and Annual Plan

GOAL: Identify development opportunities and partner with Bangor Housing Development Corporation, or others, to acquire and develop units of affordable housing	
Objective	**Progress**
Convert public housing units under the Rental Assistance Demonstration.	BangorHousing is working to close on a RAD conversion for Birch Circle and Griffin Park in 2026. BangorHousing is also exploring a conversion of its Capehart neighborhood. In addition, BangorHousing is working to apply for a Section 18 disposition of Nason Park in 2026.
Evaluate ability to issue tax-exempt bonds to assist with development efforts.	BangorHousing is continuing to evaluate its statutory authority to assist in the issuance of tax-exempt bonds under Maine law.
Assist with developing senior housing on Sunset Avenue in Bangor.	This project opened in 2026 and is managed by BangorHousing.
Assist with developing housing on Fourteenth Street in Bangor.	BangorHousing will continue to work with the City of Bangor to develop housing on Fourteenth Street and other areas in Bangor.
Continue to identify properties in Maine that can be acquired for future development.	BangorHousing continues to work to identify properties in Maine that can be acquired for future development.

GOAL: Maintain the resident service partnerships that we currently have to help grow the Boys & Girls Club, the FSS program and Families Forward	
Objective	**Progress**
Continue growth of FSS Program for Public Housing residents and HCV Participants	There are currently 156 families in our FSS program; the program has served 191 families over the past year. Over the past year, the Moving Families Forward program served 191 families. We will continue to pursue the growth of the Families Forward program.
Continue growth of Boys & Girls Club of Bangor	Over the past year, the Boys & Girls Club of Bangor continued to advance its mission of helping young people reach their full potential by providing a safe, supportive, and trauma-informed environment where youth feel valued, connected, and empowered. In 2025, the Club served 244 youth, operated 206 days during the school year and 30 days during the summer, and expanded its hours of operation from 5:00 p.m. to 6:00 p.m. to better support working families. Participation remained strong across age groups, with youth demonstrating growth in academic engagement, leadership development, enrichment activities, and social-emotional skills. At the same time, staff responded to increasingly complex behavioral and mental health needs, reinforcing the Club's role as a critical source of stability, belonging, and support for young people and their families. Several program innovations strengthened the Club's impact

	throughout the year. Through the Behavioral Wellness Initiative, the Club established calming spaces, expanded trauma-informed practices, and enhanced mental health supports through its partnership with Sweetser. New offerings, including the Bright Futures Playgroup for children on the autism spectrum, a dedicated Middle School Summer Camp, and the Youth Leadership & Wellness Cohort, were developed in direct response to youth and family feedback. The Work-Based Learning Program continued to provide teens with valuable leadership and employment experiences, helping them build confidence and workplace skills. The Club also addressed food insecurity by providing 7,465 meals during the school year and 2,166 meals during the summer months, ensuring young people had consistent access to nutritious food. The organization continued to invest in staff development, behavioral wellness supports, and organizational capacity while strengthening partnerships with schools, community organizations, funders, and fellow Boys & Girls Clubs across Northern Maine. These collaborations expanded opportunities for youth, increased access to resources for families, and enhanced the Club's visibility throughout the region. Looking ahead, the Club remains focused on building a sustainable future, deepening community partnerships, supporting its staff, and ensuring every young person has access to a safe place where they can learn, grow, and thrive.

Continue growth of Families Forward	In 2022, BHA received a $2 million appropriation to convert the current Administrative Office to classroom and childcare space for our FSS program and B&GCB. This space opened in 2024 and allowed BangorHousing to expand its FSS offerings, allowing it to explore local partnerships, including educational and career-oriented offerings to participants. We will continue to pursue the further growth of the Families Forward program.

GOAL: Partner with other local Housing Authorities and Organizations to increase efficiency and delivery of services	
Objective	**Progress**
Provide more third-party services of maintenance and property management to local organizations.	We will continue to evaluate ways to provide third-party services of maintenance and property management services to local organizations. BangorHousing continues to expand its property management services by managing properties owned by its non-profit affiliate.
Collaborate and share personnel with other housing authorities.	We share our General Counsel with the Housing Authority of the City of Brewer, the Housing Authority of the City of Old Town, and the five housing authorities comprising the Mount Desert Island and Ellsworth Housing Authorities. This arrangement provides cost savings to all organizations. BangorHousing and the Housing Authority of the City of Old Town have entered into an agreement to have BangorHousing share certain personnel

	to address labor shortages. This arrangement would also provide cost savings to both organizations. We continue to evaluate existing programs and services to identify potential collaborations or consolidation of programs with other housing authorities, especially under MTW regionalization in PIH Notice 2023-08.
Pursue MTW Regionalization under PIH Notice 2023-08	We continue to evaluate existing programs and services to identify potential collaborations or consolidation of programs with other housing authorities, especially under MTW regionalization in PIH Notice 2023-08.
Evaluate existing programs and services to identify potential collaborations or consolidation of programs	We continue to evaluate existing programs and services to identify potential collaborations or consolidation of programs with other housing authorities, especially under MTW regionalization in PIH Notice 2023-08.