

# **Addendum to The Maryville Housing Authority Administrative Plan**

## **HCV Covid-19 Waivers Adopted 3,4,5, HQS-1 and GENERAL**

Effective 3/27/2020 – 07/31/2020 or during the allowable time period as identified in the waiver and until or unless extended by HUD.

**The Maryville Housing Authority has adopted the following waivers which may be used to continue operations that might otherwise be interrupted due to Covid-19 Restrictions. Whenever possible MHA will continue normal operations that will not include the allowed waiver.**

- **PH and HCV-3: Family Income and Composition: Annual Examination - Income Verification requirements**

Regulatory Authority: 24 CFR § 5.233(a)(2) Sub-regulatory Guidance: PIH Notice 2018-18

Description: PHAs are required to use the Enterprise Income Verification (EIV) System for verification of family income at the annual examination. 24 CFR § 5.233(a)(2) requires PHAs to use EIV as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with §5.236 and administrative guidance issued by HUD. PIH Notice 2018-18 describes the required verification hierarchy process PHAs must follow. HUD understands that documentation may be difficult to obtain as a result of the COVID-19 public health emergency. PHAs are also facing challenges with securely accessing HUD systems while many if not all staff are working remotely.

To address these challenges, HUD is waiving the requirements to use the income hierarchy described by PIH Notice 2018-18 and will allow PHAs to forgo third-party income verification requirements for annual reexaminations, including the use of EIV, if the PHA wishes to conduct the annual recertification rather than delaying the family's annual recertification (as permitted under PH and HCV-2 above).

During the allowable period of availability, PHAs may consider self-certification as the highest form of income verification to process annual reexaminations. This may occur over the telephone (but must be documented by PHA staff with a contemporaneous written record), through an email or postal mail with a self-certification form by the tenant, or through other electronic communications. PHAs are encouraged to incorporate procedures to remind families of the obligation to provide true and complete information when adopting these flexibilities.

PHAs are further reminded that there is no HUD requirement that income and family composition examinations and recertifications must be conducted in-person unless determined necessary as a reasonable accommodation as long as applicable public health guidelines are followed (e.g., social distancing) and any state or local ordinance is followed.

PHAs that conduct annual examinations under this waiver/alternative requirement will be responsible for addressing any material discrepancies that may arise later. For example, if a tenant self-certified that the tenant lost their job, but later the EIV Income Validation Tool (IVT) shows the tenant's employment continued, the PHA must take enforcement action in accordance with their policies and procedures.

Period of Availability: The period of availability to conduct annual reexaminations using these modified verification requirements ends on July 31, 2020.

- **PH and HCV-4: Family Income and Composition: Interim Examinations**

Statutory Authority: Section 3(a)(1) of the USHA of 1937 Regulatory Authority: 24 CFR § 5.233(a)(2) - HCV and Public Housing Regulatory Authority: 24 CFR § 982.516(c)(2) - HCV Regulatory Authority: 24 CFR § 960.257(b) and (d) - Public Housing Sub-Regulatory Guidance: PIH Notice 2018-18

Description: For the HCV and public housing programs, PHAs are required to adopt policies (in their Administrative Plans and Admissions and Continued Occupancy Plans (ACOPs), respectively) prescribing when and under what conditions the family must report a change in family income or composition. However, at any time that a family requests an interim determination of family income or composition because of any changes since the last determination, the PHA must make the interim determination within a reasonable time after the family's request. In most cases, the reason a family requests an interim determination is due to a loss in income or a change in family composition.

PHAs are required to use EIV for verification of family income at interim reexamination. 24 CFR § 5.233(a)(2) requires PHAs to use EIV as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with §5.236 and administrative guidance issued by HUD. PIH Notice 2018-18 further describes the required verification hierarchy process PHAs must follow.

To assist PHAs that may be prioritizing the processing of interim reexaminations due to decreases in family income and mitigate the challenges of transferring documentation during periods of shelter-in-place/stay-at-home efforts in response to the COVID-19 emergency, HUD is waiving the requirements to use the income verification hierarchy as described by PIH Notice 2018-18. HUD will allow PHAs to forgo third-party income verification requirements for interim reexaminations, including the required use of EIV. During the allowable period of eligibility, PHAs may consider self-certification as the highest form of income verification to process interim reexaminations. This may occur over the telephone (with a contemporaneous written record by the PHA staff person), through an email with a self-certification form by the family, or through other electronic communications.

As noted in the previous waiver description, there is no HUD requirement that income and family composition examinations and recertifications must be conducted in-person unless it may be necessary as a reasonable accommodation for a person with a disability as long as applicable public health guidelines are followed (e.g., social distancing) and any local and state ordinances is followed.

PHAs that conduct interim reexaminations under this waiver/alternative requirement will be responsible for addressing any material discrepancies that may arise later. For example, if a tenant self-certified that the tenant lost their job, but later the EIV IVT Report shows the tenant's employment continued, the PHA must take enforcement action that is consistent with its policies and procedures.

PHAs may wish to review and adjust their interim reexamination policies (e.g., revising the PHA requirements when families must report increases in income between annual reexaminations or revising the policy regarding how to determine the effective date of an interim examination). PHAs should see HCV-1 and PH-4 for information on how these types of changes can be expedited.

Period of Availability: The period of availability ends on July 31, 2020.

- **PH and HCV-5: Enterprise Income Verification (EIV) Monitoring**

Regulatory Authority: 24 CFR § 5.233 Sub-regulatory Guidance: PIH Notice 2018-18

Description: PIH Notice 2018-18 specifies the required monitoring of EIV reports. For example, PHAs are required to monitor the Deceased Tenants Report, the Identity Verification Report, the Immigration Report, the IVT Report, and the Multiple Subsidy Report and the New Hires Report on a monthly basis. Recognizing the challenges PHAs are facing with many if not all staff working remotely, HUD is waiving the mandatory EIV monitoring requirements.

Period of Availability: The period of availability ends on July 31, 2020.

## **HOUSING CHOICE VOUCHER PROGRAM WAIVERS – HOUSING QUALITY STANDARDS (HQS) INSPECTIONS**

Introduction: HUD recognizes the unprecedented challenge the COVID-19 pandemic poses to PHAs in carrying out the most essential of their HCV program administrative responsibilities – ensuring that assisted families are living in decent, safe, and sanitary housing. HQS inspections protect the health and safety of HCV families. However, conducting physical inspections of units in many communities during this national emergency poses its own health risks for families, participating owners, and PHA personnel, and may run counter to public health orders, directives, or recommendations such as shelter in-place or other social distancing practices designed to contain and reduce exposure to COVID-19. In order to provide PHAs with the necessary flexibilities to continue to allow families to lease units and to postpone normally required HQS inspections for units under HAP contract, HUD is authorizing the use of the HQS-related waivers and alternative requirements listed in this section. PHAs are in the best position to determine which (if any) of these waivers should be applied to their HCV programs based on the needs and current conditions in their local communities.

PHAs that delay inspections under these waivers must inspect the units as soon as reasonably possible when it is again safe to do so, but must complete all delayed unit inspections no later than the date specified in this notice (or subsequent extensions provided by HUD). HUD has established relatively short periods of availability for these HQS waivers given the health and safety nature of these requirements. However, HUD will consider extending these HQS waivers and alternative requirements if HUD determines an extension is necessary.

Any PHA that applies any of these waivers to its HCV program retains the right to conduct an HQS inspection on any assisted unit at any time. Likewise, the PHA may always choose to conduct an initial inspection on a unit a family wishes to lease if such an inspection is determined to be warranted by the PHA, regardless of whether the PHA chooses to apply the initial HQS inspection waivers to its HCV program. Crucially, use of any of these waivers by the PHA does not relieve owners of their responsibility to maintain the unit in accordance with HQS as required in the HAP contract, nor does it in any way restrict the PHA from taking action to enforce the owner's obligations. Furthermore, use of any of these waivers by the PHA does not create any right in any third party (such as with the assisted family) to require enforcement of the HQS requirements by HUD or the PHA, or to assert any claim against HUD or the PHA, for damages, injunction or other relief, for alleged failure to enforce the HQS (see § 982.407).

### **HQS-1: Initial Inspection Requirements**

Statutory Authority: Section 8(o)(8)(A)(i), Section 8(o)(8)(C) of the USHA of 1937 Regulatory Authority: 24 CFR §§ 982.305(a), 982.305(b), 982.405

Description: Section 8(o)(8)(A)(i) requires that the PHA must inspect the unit before any assistance payment is made to determine whether the unit meets HQS. Section 8(o)(8)(C)

requires the PHA to conduct the initial inspection within certain time frames after receiving the RFTA. Section 982.305 provides that the PHA may not approve the assisted tenancy or execute a HAP contract until the unit has been inspected by the PHA and passes HQS. Additionally, Section 982.305 requires that the PHA must inspect the unit to determine that the unit satisfies the HQS before the beginning of the initial lease term, and that the PHA must perform this inspection within either 15 days or within a reasonable time depending on the size of the PHA.

HUD is waiving these requirements and providing an alternative requirement. In order to place the unit under HAP contract and commence making payments, the PHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit or units in question instead of conducting an initial inspection. At minimum the PHA must require this owner certification. However, the PHA may add other requirements or conditions in addition to the owner's certification but is not required to do so. The PHA is required to conduct an HQS inspection on the unit as soon as reasonably possible but no later than October 31, 2020.

This waiver and alternative requirement may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

Period of Availability: The period of availability for PHAs to accept owner's self-certification for an initial inspection ends on July 31, 2020. The period of availability for the PHA to inspect a unit that was placed under HAP contract based on the owner's self-certification ends on October 31, 2020.

- **HCV-2: Information When Family is Selected - PHA Oral Briefing**

Regulatory Authority: 24 CFR § 982.301(a)(3), § 983.252(a)

Description: The regulation requires when the PHA selects a family to participate in either the HCV or PBV program, the PHA must give the family an oral briefing. HUD is waiving this requirement and as an alternative requirement allowing the PHA to conduct the briefing by other means such as a webcast, video call, or expanded information packet. Section 504 and the ADA require PHAs to ensure effective communication with applicants, participants and members of the public in all communications and notices. The PHA must ensure that the method of communication for the briefing effectively communicates with, and allows for equal participation of, each family member, including those with vision, hearing, and other communication-related disabilities, and ensures meaningful access for persons with limited English proficiency.

Period of Availability: The period of availability ends on July 31, 2020.

HCV-1: Administrative plan

Regulatory Authority: 24 CFR § 982.54 (a)

Description: The regulation requires that any revisions of the PHA's administrative plan must be formally adopted by the PHA Board of Commissioners or other authorized PHA officials. Recognizing the foreseeable difficulties in complying with this requirement in light of the COVID-19 emergency, HUD is waiving the requirement to allow the PHA administrative plan to be revised on a temporary basis without Board approval. As an alternative requirement any informally adopted revisions under this waiver authority must be formally adopted as soon as practicable following June 30, 2020, but no later than July 31, 2020.

Period of Availability: The period of availability ends on July 31, 2020.

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HCV-3: Term of Voucher – Extensions of Term  
Regulatory Authority: 24 CFR § 982.303(b)(1)

Description: The regulation provides that at its discretion, the PHA may grant a family one or more extensions of the initial voucher term in accordance with the PHA policy as described in the PHA administrative plan. HUD is waiving the requirement that the extension(s) must be in accordance with the PHA's administrative plan in order to allow the PHA to provide extensions even though it has been unable to formally amend its policy in the administrative plan. Period of Availability: The period of availability ends on July 31, 2020.

HCV-4: PHA Approval of Assisted Tenancy – When HAP Contract is Executed  
Regulatory Authority: 24 CFR § 982.305(c)

Description: The PHA may not make any housing assistance payments to the owner until the HAP contract is executed. The regulation provides that PHA must use best efforts to execute the HAP contract before the beginning of the lease term and that the HAP contract must be executed no later than 60 days from the beginning of the lease term. Any HAP contract executed after the 60-day period is void and the PHA may not pay any housing assistance payments to the owner. HUD is waiving the regulatory requirement to allow PHAs to execute the HAP contract after the 60-day deadline has passed and make housing assistance payments back to the beginning of the lease term. However, the PHA and owner must execute the HAP contract no later than 120 days from the beginning of the lease term.

Period of Availability: The period of availability to execute the HAP contract after the normally 60-day period from the beginning of the lease term ends on July 31, 2020.

HCV-5: Absence from Unit  
Regulatory Authority: 24 CFR § 982.312

Description: The regulation requires that a family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. HUD is waiving this regulatory requirement to allow the PHA at its discretion to continue housing assistance payments and not terminate the HAP contract due to extenuating circumstances (e.g., hospitalization, extended stays at nursing homes, caring for family members).

Period of Availability: The period of availability for the PHA to choose to continue making HAP payments despite the family's absence of more than 180 consecutive days ends on December 31, 2020. The PHA may not make payments beyond December 31, 2020, and the HAP contract will terminate on that date if the family is still absent from the unit.

HCV-6: Automatic Termination of HAP contract  
Regulatory Authority: 24 CFR § 982.455

Description: When an HCV family's income increases to the extent that the housing assistance payment is reduced to \$0, PHAs are required by this regulation to automatically terminate HAP contracts 180 days after the last housing assistance payment to the owner. In recognition that the COVID-19 emergency is creating economic and employment instability for many families, as well as situations where families may on a temporary basis be adding members whose additional income may result in a \$0 HAP subsidy calculation, HUD is waiving this requirement. As an alternative requirement, the PHA, upon written notice to the owner and family, may extend the period of time following the last payment to the owner that triggers the automatic termination of the HAP contract. The extension beyond the normally applicable 180 days is determined by the PHA but may not extend beyond December 31, 2020.

Period of Availability: The period of availability for the extension ends December 31, 2020. The PHA may not extend the HAP contract beyond December 31, 2020.

HCV-7: Increase in payment standard under HAP contract term

Regulatory Authority: 24 CFR § 982.505(c)(4)

Description: The regulation requires that if the payment standard amount is increased during the term of the HAP contract, the increased payment standard amount shall be used to calculate the monthly housing assistance payment for the family beginning at the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard amount.

HUD is waiving this requirement and as an alternative requirement allowing the PHAs to apply the increased payment standard at any time (e.g., interim reexamination, owner rent increase) after the effective date of the increase in the payment standard amount, provided the increased payment standard is used to calculate the HAP no later than the effective date of the family's first regular reexamination following the change.

Note that if the PHA has delayed the family's annual recertification under the waiver authority described earlier in this notice (see PH and HCV-2), the PHA must use the increased payment standard amount to calculate the family's HAP beginning the date that the family's first regular examination would have been effective in the absence of the waiver. Alternatively, the PHA may conduct an interim reexamination where the only change is the increased payment standard amount. Regardless of the method used, the participant must receive the increased payment standard no later than the effective date of the family's first regular reexamination following the increased payment standard.

Period of Availability: The waiver period of availability ends on December 31, 2020.

**Also, as part of the Cares Act The Maryville Housing Authority is offering incentive payments to any Owner who leases to a New Housing Choice Voucher Participant May 1, 2020 – July 31, 2020.**

- Any Owner or Landlord who enters into a Lease with a New Housing Choice Voucher Participant (A Voucher holder who was not previously a participant with The Maryville Housing Authority Housing Choice Voucher Program or who has not been a participant with The Maryville Housing Authority HCV program within the last 12 months).
- The incentive amount will be a one-time payment of 50% of the Reasonable Contracted Rent Amount not to exceed \$500.

