



## **CONTINUUM OF CARE POLICY MANUAL**

**2023**

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## **CHAPTER 1: POLICIES AND OBJECTIVES**

The Continuum of Care (CoC) rental assistance program (“Program”) was established to link rental assistance to supportive services for homeless individuals or families in which the Head of Household (HOH) has a verified disability. The Program primarily provides assistance to those who have been diagnosed with mental illness, chronic substance abuse, or AIDS. Rental assistance is provided as long as the family remains eligible and funding is available for the Program.

### **1.1 Environmental Review Requirements** [24 CFR 578.31, 578.99(a)]

The Los Angeles County Development Authority (LACDA) shall conduct environmental reviews of all new CoC projects and once every 5 years thereafter in accordance with federal regulations which state that all CoC activities are subject to environmental review before funds may be released by HUD.

CoC projects may be subject to different levels of environmental reviews depending on the type of assistance provided. The LACDA’s Environmental Officer will conduct an environmental review when a new CoC project application has been submitted to the LACDA, and once every 5 years thereafter as instructed by HUD during the annual renewal process. The LACDA shall provide all required information necessary for the Environmental Office to conduct the review. The LACDA shall not conduct any CoC activities, commit to, or expend HUD or local funds to any project until an environmental review has been conducted and the LACDA has received approval from HUD to release funds.

The LACDA will maintain the Release of Funds records received from HUD in the project’s file. In the case where new CoC eligible activities are engaged in during the project’s operation period, the LACDA will review the project to determine whether a new environmental review must be conducted. The LACDA will maintain the records of all reviews conducted for all CoC activities for all projects, including categorically excluded or exempt projects such as tenant-based rental assistance projects.

Should the LACDA convert some or all of a project’s certificates from tenant-based rental assistance to sponsor-based or project-based rental assistance, the Environmental Office shall conduct an environmental review as is required for the modified type of assistance.

### **1.2 Crisis Mitigation**

During times of a national declared disaster, such a pandemic virus outbreak, HUD may offer temporary waivers to any of the policies outlined in this Manual to mitigate the impact of the crisis on the Program’s participants, landlords, and LACDA staff. At the discretion of LACDA management, the LACDA may choose to implement some or all of the waivers HUD has made available.

### **1.3 Confidentiality**

To protect a participant’s confidentiality as it relates to a medical diagnosis, all communication with persons other than the HOH shall not include any reference to the Program including its acronym. Communications include, but are not limited to, program forms, emails, and telephone calls.

## **CHAPTER 2: APPLICATION AND ELIGIBILITY**

### **2.1 Program Eligibility Requirements**

[24 CFR 578.3, McKinney-Vento Homeless Assistance Act]

Applicants must meet HUD's eligibility requirements specific to the Program to qualify for rental assistance. To determine final eligibility, the LACDA may verify all applicant information submitted by the CBO. To be eligible for the Program, applicants must meet these criteria:

- The Head of Household must have a verified disability as defined in Section 2.5.3
- The individual or family must be homeless or at risk of homelessness as defined in Section 2.5.1 and 2.5.2

### **2.2 Referrals for Rental Assistance**

The LACDA does not maintain a waiting list for the Program. A partnering Community-Based Organization (CBO) identifies an eligible individual or family to be referred for assistance and provides ongoing supportive services (See Section 1.7). One hundred percent of referrals must be certified through the local Coordinated Entry System (CES) managed by the Los Angeles Homeless Services Authority (LAHSA).

### **2.3 Denial of Participation**

[24 CFR 982.552(c)]

The LACDA may deny admission to the Program if the applicant has been terminated from any federal rental assistance program or Public Housing for violations of the family obligations, or the applicant currently owes rent or other amounts to the LACDA or another Public Housing Agency (PHA) in connection with any rental assistance program or Public Housing.

Applicants are not required to submit to a criminal background check to determine eligibility for the Program.

### **2.4 Briefing Sessions**

After the application for rental assistance has been approved, the applicant will be invited for a briefing session at which time the applicant receives the necessary information regarding the Program's rules and requirements. At the conclusion of the briefing, the applicant will be issued a *Participation Agreement*. The Participation Agreement outlines the family obligations of the program and grounds for termination of assistance when any family member violates the terms set forth in the Participation Agreement.

When the applicant has agreed to and signed the Participation Agreement, they will be issued a *Certificate*. The Certificate is verification that the applicant is now a program participant and may be shown to potential landlords in order to obtain suitable housing. The Certificate will expire after 180 days if no suitable unit has been found unless a written request for an extension is received from the applicant. The LACDA may grant up to three (3) extensions in 60-day increments. However, any further extensions may only be granted as a Reasonable Accommodation due to a disability.

### **2.5 Definitions**

[24 CFR 578.3, McKinney-Vento Homeless Assistance Act, Federal Register Final Rule 12/04/2015]

### **2.5.1 Definition of Homeless according to DedicatedPLUS**

As directed by LAHSA as the lead agency for the Los Angeles City & County CoC (CA-600), the LACDA has adopted HUD's DedicatedPLUS guidelines for the Program. DedicatedPLUS allows the Program to serve families with long histories of homelessness, including those experiencing chronic homelessness, by allowing more flexibility in verifying homelessness for applicants to the Program. Under DedicatedPLUS homeless is defined in 6 categories:

1. The applicant is experiencing chronic homelessness as defined in Section 2.5.2.
2. The applicant is residing in a transitional housing project that will be eliminated and meets the definition of chronically homeless at the time when the individual or family entered the transitional housing project.
3. The applicant is residing in a place not meant for human habitation, emergency shelter, or safe haven, but the individual or family experiencing chronic homelessness has been admitted and enrolled in a permanent housing project within the last year and has been unable to maintain a housing placement.
4. The applicant is residing in transitional housing funded by a joint transitional housing and permanent housing rapid-rehousing component project and had been experiencing chronic homelessness prior to entering the project.
5. The applicant has resided in a place not meant for human habitation, a safe haven, or an emergency shelter, for at least 12 months in the last 3 years but has not done so on 4 separate occasions.
6. The applicant is receiving assistance through a U.S. Department of Veterans Affairs (VA) funded homeless assistance program, and at initial intake to the VA's homeless assistance system met one of the 5 criteria above.

### **2.5.2 Definition of Chronic Homelessness**

[Federal Register Final Rule 12/04/2015]

1. A homeless individual with a disability who:
  - a. Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter, and
  - b. Has been homeless and living as described in 1.a of this definition continuously for at least 12 months or on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months. Stays in institutional care facilities of 90 days or less will not constitute as a break in homelessness, but rather such stays are included in the 12 month total, as long as the individual was living or residing in a place not meant for human habitation, a safe haven, or emergency shelter immediately before entering the institutional care facility.
  - c. Can be diagnosed with one or more of the following conditions: Substance abuse disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability.
2. An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph 1 of this definition, before entering that facility; or
3. A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph 1 of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

### **2.5.3 Definition of Disability**

*A homeless individual with a disability* means an individual who is homeless, as defined above, and has a disability that:

1.
  - a. is expected to be long-continuing or of indefinite duration;
  - b. substantially impedes the individual's ability to live independently;
  - c. could be improved by the provision of more suitable housing conditions; and
  - d. is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post-traumatic stress disorder, or brain injury.
2. is a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002); or
3. is the disease of acquired immunodeficiency syndrome (AIDS) or any condition arising from the etiologic agency for AIDS.

## CHAPTER 3: VERIFICATION PROCEDURES

### 3.1 Verification of Homeless Status

Applicants must submit all required DedicatedPLUS homeless verification forms required by the CES to verify homeless status for all DedicatedPLUS Permanent Supportive Housing (PSH) projects. (Note: Currently, all CoC projects are DedicatedPLUS PSH projects; See Section 1.17 Eligibility Definitions for information regarding DedicatedPLUS.) One hundred percent of applicants must be certified through the local CES. Required forms:

- **DedicatedPLUS Verification Packet** – Required for all Program applicants.
- **HMIS Homeless Verification** – First priority for homeless verification.
- **Homeless Verification Form** - Required if HMIS does not show 12 months of homelessness.
- **Agency Due Diligence to Acquire 3<sup>rd</sup> Party Form** – Required only if the CBO is submitting a Self-Certification of Homeless Status for an applicant.

### 3.2 Verification of Disability

For all DedicatedPLUS PSH projects, the Head of Household must have a verified disability. (Note: Currently, all CoC projects are DedicatedPLUS PSH projects.) Required documents to verify disability:

- **Universal Verification of Disability Form** – Highest level and preferred verification documentation.
- **3<sup>rd</sup> Party Verification from the Social Security Administration** – Required if the CBO is unable to provide a completed Universal Verification of Disability Form.
- **Receipt of a Verifiable Disability Check** – Required if the CBO is unable to provide either the Universal Verification of Disability Form or verification from the Social Security Administration.

### 3.3 Verification of Income (Annual Income)

Annual income will be verified at intake by using source documents which are defined as computer-generated and date-stamped documents from the source of income (for example: a statement from the Social Security Administration). If source documents are not available, the case manager may use lower levels of income verification approved by the Housing Assistance Division. For the purposes of record keeping, an action submitted in Yardi will satisfy the requirement that the applicant or participant's annual income was properly verified and documented. For the CoC Program, the hierarchy of verification is as follows:

- Source documents (highest level)
- 3<sup>rd</sup> Party Verification Form sent to the source of income and completed and returned by the source of income
- Follow-up phone calls to the source of income when the 3<sup>rd</sup> Party Verification Form is not returned by the due date
- Applicant self-certification on a General Affidavit (lowest level)

### **3.4 Verification of Identity, Social Security Number, and Immigration Status**

For the purpose of program integrity, both a government issued form of identification and a valid Social Security number are required for applicants and participants on the Program. The LACDA is also required to verify eligible immigration status for applicants to the Program. A clear copy of the following documents will be requested:

- State issued ID card or Driver's License
- Social Security Card
- Birth certificate, passport, Certificate of Naturalization, or Permanent Resident Card

If the applicant or participant is unable to provide the above preferred documents, the following alternative documents will be accepted:

- Baptismal certificate or hospital record of date of birth
- Other government issued photo ID, such as VA or military ID
- Foreign Consulate Identification Card issued by Mexico, Argentina, or the Republic of Korea
- Military discharge records
- Court or adoption records
- Award letter from the Social Security Administration to verify the Social Security Number
- Other benefits award letters issued by a governmental agency
- Other documents issued by ICE to verify legal immigration status

Only if none of the above records are available, the LACDA will accept membership cards or official letters from a private company such as medical insurance providers, life insurance companies, employers, pensions, etc.

If an applicant is unable to provide any of the above required documents at the time of application for rental assistance, the application will continue to be processed; however, the missing document(s) must be submitted no later than by the first Annual Reexamination (anniversary date), or the case manager will propose termination of assistance in accordance with Section 1.11.

### **3.5 Electronic Submission of Documents**

The LACDA will accept as originals any required documents that are submitted by the CBO via email, including client signatures. Scanned and emailed documents may be the application, verification documents, standard forms, signature pages, and identification documents. When emailing documents to the LACDA, the CBO must be sure to redact any social security numbers to only show the last four numbers for identification.

## CHAPTER 4: TENANT RENT CALCULATION

### 4.1 Maximum Rent Contribution

The participant's rental portion may not exceed the highest of:

- 30 percent of the family's monthly adjusted income. Adjustment factors include the number of family members, age of the family members, medical expenses, and childcare expenses.
- 10 percent of the family's monthly income.
- If the family is receiving payments for welfare assistance from a public agency and a part of the payments (adjusted in accordance with the family's actual housing costs) is specifically designated by the agency to meet the family's housing costs, the portion of the payments that is designated for housing costs.
- *Income*. Income must be calculated in accordance with 24 CFR 5.609 and 24 CFR 5.611(a) as defined in sections 4.2 and 4.3. Recipients and sub-recipients must examine a program participant's income initially, and if there is a change in family composition (such as the birth of a child) or a decrease in the participant's income during the year, the participant may request an Interim Reexamination, and the rental portion will be adjusted accordingly.

There is no minimum rent for participants on the Program. In accordance with 24 CFR 5.630(a)(2), the LACDA is waiving a minimum rent contribution for the Program.

### 4.2 Annual Income

[24 CFR 5.609]

(a) Annual income means all amounts, monetary or not, which:

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph (c) of this section.

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) Annual income includes, but is not limited to:

(1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets

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

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments.

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section).

(9) For section 8 programs only [*does not apply to CoC*] and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition and any other required fees and charges, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

(c) Annual income does not include the following:

(1) Income from employment of children (including foster children) under the age of 18 years;

(2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);

(4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

(5) Income of a live-in aide;

(6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;

(7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

(8)

(i) Amounts received under training programs funded by HUD;

(ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;

(v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;

(9) Temporary, nonrecurring or sporadic income (including gifts);

(10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

(11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);

(12) Adoption assistance payments in excess of \$480 per adopted child;

(13) Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

(14) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(15) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(16) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in section (c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.

(d) Annualization of income. If it is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income), or the PHA believes that past income is the best available indicator of expected future income, the PHA may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.

#### **4.3 Adjusted Income** [24 CFR 5.611(a)]

Adjusted income means annual income of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions:

(1) \$480 for each dependent;

(2) \$400 for any elderly family or disabled family;

(3) The sum of the following, to the extent the sum exceeds three percent of annual income:

(i) Unreimbursed medical expenses of any elderly family or disabled family; and

(ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and

(4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

#### **4.4 Annual Reexaminations**

The LACDA is required to conduct Annual Reexaminations of the participant's income, assets, and expenses, and calculate the participant's adjusted income as defined in sections 4.2 and 4.3.

#### **4.5 Interim Reexaminations**

When the participant reports a change in family composition (such as the birth of a child) or change in income in between Annual Reexaminations, the LACDA will adjust the tenant portion of the rent accordingly. The participant is required to report any such changes within 30 calendar days of occurrence.

#### **4.6 Occupancy Standards**

[24 CFR 578.75(c)(1)&(2)]

The LACDA will determine the bedroom size of the CoC certificate based on providing one bedroom for every two family members regardless of age or gender.

Children of opposite sex, other than very young children, will not be required to occupy the same bedroom or living/sleeping room. The sleeping arrangements for each family member are determined by the family.

If the household composition changes during the term of assistance, the LACDA may relocate the household to a more appropriately sized unit. The family must still have access to appropriate supportive services.

**CHAPTER 5:  
HOUSING QUALITY STANDARDS**

**5.1 General**

[24 CFR 578.75(b)]

Housing leased with CoC program funds, or for which rental assistance payments are made with CoC program funds, must meet the applicable Housing Quality Standards (HQS) under 24 CFR 982.401 outlined below, except that 24 CFR 982.401(j) only applies to housing occupied by participants receiving tenant-based rental assistance.

(a) Performance and acceptability requirements.

(1) This section states the housing quality standards (HQS) for housing assisted under the Program.

(2)

(i) The HQS consist of:

(A) Performance requirements; and

(B) Acceptability criteria or HUD approved variations in the acceptability criteria.

(ii) This section states performance and acceptability criteria for these key aspects of housing quality:

(A) Sanitary facilities;

(B) Food preparation and refuse disposal;

(C) Space and security;

(D) Thermal environment;

(E) Illumination and electricity;

(F) Structure and materials;

(G) Interior air quality;

(H) Water supply;

(I) Lead-based paint;

(J) Access;

(K) Site and neighborhood;

(L) Sanitary condition; and

(M) Smoke detectors.

(3) All program housing must meet the HQS performance requirements both at commencement of assisted occupancy, and throughout the assisted tenancy.

(4)

(i) In addition to meeting HQS performance requirements, the housing must meet the acceptability criteria stated in this section, unless variations are approved by HUD.

(ii) HUD may approve acceptability criteria variations for the following purposes:

(A) Variations which apply standards in local housing codes or other codes adopted by the PHA; or

(B) Variations because of local climatic or geographic conditions.

(iii) Acceptability criteria variations may only be approved by HUD pursuant to paragraph (a)(4)(ii) of this section if such variations either:

(A) Meet or exceed the performance requirements; or

(B) Significantly expand affordable housing opportunities for families assisted under the program.

(iv) HUD will not approve any acceptability criteria variation if HUD believes that such variation is likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

(b) Sanitary facilities -

(1) Performance requirements. 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.

(2) 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).

(c) Food preparation and refuse disposal -

(1) Performance requirement.

(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).

(2) Acceptability criteria.

(i) The dwelling unit must have an oven, and a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. The equipment may be supplied by either the owner or the family. 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).

(d) Space and security -

(1) Performance requirement. The dwelling unit must provide adequate space and security for the family.

(2) 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.

(e) Thermal environment -

(1) Performance requirement. The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

(2) 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.

(f) Illumination and electricity -

(1) 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.

(2) 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.

(g) Structure and materials -

(1) 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.

(2) 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 weathertight.

(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.

(h) Interior air quality -

(1) Performance requirement. The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

(2) 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 openable window or other adequate exhaust ventilation.

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

(i) Water supply -

(1) Performance requirement. The water supply must be free from contamination.

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

(j) Lead-based paint performance requirement. 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 part 35, subparts A, B, M, and R of this title apply to units assisted under this part.

(k) Access 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).

(l) Site and Neighborhood -

(1) 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.

(2) 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.

(m) Sanitary condition -

(1) Performance requirement. The dwelling unit and its equipment must be in sanitary condition.

(2) Acceptability criteria. The dwelling unit and its equipment must be free of vermin and rodent infestation.

(n) Smoke detectors performance requirement - (1) Except as provided in paragraph (n)(2) 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).

(2) 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).

## **5.2 Initial (New Contract) Inspections**

Before any assistance will be provided on behalf of a participant, the LACDA must physically inspect the selected unit to assure that the unit meets HQS. Assistance will not be provided for units that fail to meet HQS, unless the owner corrects the identified deficiencies within 30 days from the date of the initial inspection and the LACDA has verified that all deficiencies have been corrected.

## **5.3 Annual Inspections**

The LACDA must inspect all units at least annually during the grant period to ensure that the unit continue to meet HQS.

## **CHAPTER 6: TERMINATION OF ASSISTANCE**

### **6.1 General**

[24 CFR 578.91], [24 CFR 578.75(i)]

The LACDA may terminate assistance to a participant at the request of the CBO providing supportive services when the participant violates the requirements of the program or violates the lease. Termination does not bar the LACDA from providing further assistance at a later date to the same participant.

*Due process:* The LACDA will follow the same due process procedures used for its other rental assistance programs, which include a written Proposed Termination Notice outlining which program requirements have been violated by the participant, an Informal Hearing process by an independent Hearing Officer, and a final determination by the Hearing Officer.

When the CBO providing supportive services determines that the participant no longer needs supportive services, termination of assistance is not considered a termination for violations, but the LACDA will exercise its option for program transition (See Section 6.2).

If the HOH (qualifying member with a disability) is deceased, incarcerated or institutionalized for more than 90 days, any remaining family members have the right to remain in the unit until the expiration of the lease. If the remaining family members exercise this right, Housing Assistance Payments (HAP) will continue to be paid on behalf of the family for the remainder of the lease term. Upon expiration of the lease term, the family is no longer eligible for assistance and the family will be terminated from the Program.

CoC Program participants are considered a hard-to-house population and the LACDA will exercise judgment and examine all extenuating circumstances in determining when program violations are serious enough to warrant termination so that a program participant's assistance is terminated only in the most severe cases.

### **6.2 Program Transition**

[Staff memo 05/02/2014]

If the CBO or governmental department currently contracted by the LACDA to provide ongoing supportive services determines that the participant no longer requires supportive services, the participant will be transitioned to the Housing Choice Voucher program (or other rental assistance program) provided that funding is available at the time of the transition. This policy is in alignment with the CoC City and County of Los Angeles' (CA-600) Moving On program requirements as posted on the annual CoC Notice Of Funding Availability (NOFA).

### **6.3 Tenant-Based Rental Assistance Mobility Policy**

[24 CFR 578.51(c)(4), Staff Memo 03/01/2018]

The Program does not offer portability to another Public Housing Agency (PHA). However, participants who are eligible to receive, or who are currently receiving Tenant-Based Rental Assistance through Program funds may choose housing outside of the CoC's jurisdiction if the LACDA and the CBO are able to meet all Program requirements in the geographic area where the program participant chooses housing. Participants who receive sponsor-based or project-based rental assistance are not eligible for mobility outside of the CoC's jurisdiction.

The decision of a program participant to choose housing and move outside of the CoC's geographic area should be one that is made in consultation between the participant, the LACDA, and the CBO. The LACDA and CBO will only decline such request if neither the LACDA nor the CBO is able to meet all Program requirements in the geographic area where the program participant chooses housing. The LACDA has determined that all cities and communities within Los Angeles County are eligible for tenant-based rental assistance mobility; however, approval to move outside of the CBO's service area would be required before the LACDA renders final decision.

The following cities and communities will be considered for mobility in consultation with the CBO providing supportive services:

- Orange County** Seal Beach, Los Alamitos, Stanton, Cypress, La Palma, Buena Park, Anaheim, Fullerton, La Habra, Brea, Placentia, Yorba Linda
- Kern County** Rosemond
- Ventura County** Thousand Oaks, Simi Valley
- San Bernardino County** Chino Hills, Chino, Ontario, Upland, Montclair, Rancho Cucamonga

#### **6.4 Victims of Domestic Violence**

Program participants fleeing imminent threat of further harm from domestic violence will be allowed to move outside of the CoC's jurisdiction. The participant's is subject to the participant having complied with all program requirements during their residence in the CoC's geographic area. In such cases, both the LACDA and the CBO will be exempt from regulatory requirements such as monthly case management or conducting an annual needs assessment for the participant. The LACDA and CBO will not be exempt from statutory requirements which include participation in HMIS, ensuring the unit meets HQS, calculation the participant's income for determining rent contribution, and ensuring the educational needs of children are met.

#### **6.5 Vacancy Payments for Project-Based Rental Assistance Units**

[24 CFR 578.51(h)(ii)(4)(i)]

When the LACDA receives notification from the property owner that a participant residing in a unit funded by Project-Based Rental Assistance has vacated the unit, the LACDA may continue to pay HAP for an additional 30 days while selecting a suitable applicant to move into the vacant unit.

**CHAPTER 7:  
SUPPORTIVE SERVICES AND REPORTING REQUIREMENTS**

**7.1 Supportive Services**  
[24 CFR 578.53]

Program participants will have access to ongoing supportive services provided by the referring CBO for as long as the participant receives rental assistance, or for as long as is deemed necessary by the CBO (See Section 6.2 Program Transition). Supportive services are a key Program element to ensure that the participant retains safe and suitable housing and does not fall back into homelessness. Appropriate supportive services include:

- Annual assessment of service needs. The LACDA requires an Annual Needs Assessment to be submitted by the CBO each year to redetermine the client’s suitability for the Program.
- Assistance with moving costs
- Case management. Component services and activities consist of:
  - Counseling
  - Developing, securing, and coordinating services
  - Utilization of the CES
  - Obtaining federal, State, or local benefits
  - Monitoring and evaluating client progress
  - Referrals to other service providers
  - Risk assessment and safety planning for clients who are victims of domestic violence
  - Developing individualized housing and service plans
- Child care
- Education services to improve knowledge and basic educational skills. Component services and activities consist of:
  - Consumer education
  - Health education
  - Substance abuse prevention
  - Literacy
  - English as a Second Language
  - General Educational Development (GED)
- Employment assistance and job training. Component services and activities consist of:
  - Classroom, online, or on-the-job instruction
  - Assisting in securing employment (counseling, referrals, etc.)
  - Acquiring learning skills or increasing earning potential
  - Acquisition of vocational licenses or certificates
- Provision of meals or groceries
- Housing search and counseling services. Component services and activities consist of:
  - Counseling on understanding a lease, utility applications or moving activities
  - Mediation with landlords
  - Credit counseling
  - Payment of application fees
- Legal services

- Life skills training on topics such as money management, conflict management, nutrition, and parenting
- Mental health services such as counseling, therapy, and medication management
- Outpatient health services
- Outreach services to identify potential applicants for the Program
- Substance abuse treatment services
- Transportation
- Utility deposits
- Direct provision of services (staff salaries, materials, etc.)

## **7.2 Annual Performance Reports**

CBOs must submit Annual Performance Reports (APR) no later than 30 days after the expiration of each CoC grant's operating year in a manner approved by the LACDA. Failure to submit APRs in a timely manner may result in discontinuation of the grant's future funding.

## **CHAPTER 8: RENT TO OWNER**

### **8.1 General**

[24 CFR 578.51(g)]

HUD will only provide rental assistance for a unit if the rent is reasonable. The LACDA must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit. Reasonable rent must not exceed rents currently being charged by the same owner for comparable unassisted units.

### **8.2 Rent Increase Requests**

The property owner must provide a 60-day advance notice of a proposed rent increase to both the LACDA and the participant. The notice must be received at least 60 days prior to the effective date of the proposed rent increase to allow sufficient time for processing, and to be in compliance with State and/or local laws. The proposed rent increase will be approved only if the rental amount is determined reasonable in accordance with Section 8.1.