



**TENANT SELECTION POLICY: HUD ADDENDUM
FOR HUD SUBSIDIZED PROPERTIES**

ENTERPRISE INCOME VERIFICATION SYSTEM (EIV)

The EIV system will be used to process Verification Reports on applicants seeking housing subsidized through the HUD housing assistance according to the procedures as noted in HUD Notice H 2013-06 and any subsequent release. A copy of this notice is available upon request.

HUD provides Champlain Housing Trust with information about an applicant's current status as a HUD housing assistance recipient. Champlain Housing Trust will use the Enterprise Income Verification System to determine if the applicant or any member of the applicant household is currently receiving HUD assistance. Nothing prohibits a HUD housing assistance recipient from applying to this property. However, the applicant must move out of the current property and/or forfeit any voucher before HUD assistance on this property will begin. Special consideration applies to some dependents where members of two households share 50% custody.

If the applicant or any member of the applicant household fails to fully and accurately disclose rental history, the application may be denied based on the applicant's "misrepresentation" of information.

In accordance with HUD procedures noted in HUD Notice H 2013-06 the following EIV reports are pulled according to this schedule:

Income Reports	Used at each recertification both annual and interim
Existing Tenant Report	At the time of processing an applicant for admission
Multiple Subsidy Report	At least quarterly
Identity Verifications Report	Monthly
Deceased Tenants Report	At least quarterly
New Hires Report	At least quarterly
Income discrepancy report	Used at each recertification both annual and interim

This information is used to determine if a household has reported their income and identity information correctly.

CITIZENSHIP REQUIREMENTS

By law, only U.S. citizens and eligible noncitizens may benefit from federal rental assistance. All applicants are required to submit evidence of citizenship or eligible immigration status. All family members, regardless of age, must declare their citizenship or immigration status. Noncitizens (except those age 62 and older) must sign a Verification Consent and submit documentation of their status or sign a declaration that they do not claim to have eligible status. Noncitizens age 62 and older must sign a declaration of eligible immigration status and provide a proof of age document. U.S. citizens must sign a declaration of citizenship. If an applicant cannot supply the documentation required at the time that Champlain Housing Trust is verifying other eligibility criteria, a 30-day extension will be granted to allow the applicant to produce the documentation; but only if the applicant certifies that the documentation is temporarily unavailable and additional time is needed to collect and submit the required documentation. Documentation requirements are set forth in paragraph 3-12(I) of 4350.3. Applicants that are eligible non-citizens with appropriate documentation will be verified by the "SAVE" system at www.uscis.gov to ensure eligibility.

SOCIAL SECURITY NUMBER (SSN) REQUIREMENTS

All applicant household members, except those that are 62 or over as of January 31, 2010, whose initial determination of eligibility was begun prior to January 31, 2010, and those individuals who do not contend eligible immigration status must disclose SSNs by providing their Social Security card. The procedure for accepting applicants who are unable to produce a Social Security card is outlined in paragraph 3-9 (c) of the HUD 4350.3. Applicants do not need to disclose or provide verification of a SSN for all household members at the time of application and for placement on the waiting list.

However, applicants must disclose and provide verification of a SSN for all household members before they can be housed.

The Social Security Number requirements do not apply to:

A child under the age of 6 years old added to the applicant household within the 6-month period prior to the household's date of admission. The household will have a maximum of 90 days after the date of admission to provide the Social Security Number and adequate documentation that the Social Security Number is valid. An additional 90 days may be granted under certain circumstances. If the household does not provide the Social Security Number and adequate documentation to verify the Social Security Number within the prescribed timeframe, HUD requires that the household's tenancy be terminated.

INCOME-TARGETING

In order to comply with 24 CFR Part 5. 653 relative to federal targeting requirements, the Champlain Housing Trust is required to rent not less than 40% of available apartments in any fiscal year in each of the foregoing categories to extremely very low income families (ELI). Therefore, the CHT will identify applicants on the waiting list who are ELI category based on date of application. The first available apartment in each fiscal year will be filled with an ELI applicant. ELI applicants must be ELI on the date of admission to receive preference. ELI applicants will be considered within the waitlist being utilized.

If there are no ELI applicants on the waiting list and reasonable marketing efforts have been made the CHT will select applicants from the list based on date of application within each of category.

FULL TIME STUDENTS AND SECTION 8

A student enrolled in an Institute of Higher Education must meet at least one of the following requirements in order to be eligible for Section 8 assistance:

- 1) living with parents/guardian or
- 2) 24 or older or
- 3) a veteran of the United States armed services or
- 4) married or
- 5) has a dependent child or
- 6) can prove independence of parents including
 - i) The parents did not claim the student on the most recent tax return and
 - ii) The student has lived independent of the parents for at least one year or meets the Department of Education's definition of an independent student and
 - iii) Can legally sign a lease
- 7) is disabled and was receiving assistance as of November 30, 2005 or
- 8) has parents who are income eligible for the Section 8 program or
- 9) were ever a foster child

SAFE HARBOR VERIFICATION

Champlain Housing Trust accepts Safe Harbor Verifications. This allows Champlain Housing Trust to determine a household's income eligibility by using an income-determination made for the household within the previous 12-month period, from the following programs:

- > TANF (Temporary Assistance to Needy Families)
- > LIHTC (Low-Income Housing Tax Credit Program)
- > SNAP (Supplemental Nutrition Assistance Program)

The above Safe Harbor Verifications are accepted at the time of move-in, Interim Recertification and at each annual recertification. In order for the Safe Harbor Verification to be used, the following must apply:

- The income determination was made in the last 12 months. Documentation will be considered timely if any of the following dates are dated within 12 months of being received by Champlain Housing Trust
 - o Income determination effective date;
 - o Program administrator's signature date;
 - o Family's signature date;
 - o Report effective date; or
 - o Other report-specific dates that verify the income determination date.
- The income determination documentation must reflect the household size and must be for the entire household. (Household members listed on the safe harbor income determination documentation must reflect the same household members in the unit or applying for the unit.
- The income determination documentation must state the households gross annual income.
- The Household must agree that the income declared on the income determination documentation accurately reflects the household's income. In the event, the household disputes the other program's income determination, household income will be determined in accordance with HUD regulations, and the safe harbor method will not be used.
- If the household will also be claiming childcare expense or disability assistance expenses, third party verification of employment will need to be obtained in order to determine the maximum amount of the expense the household is entitled to.
- Households whose income is verified using this method, must still report changes in income that occur after the effective date of the certification.
- In the event multiple safe harbor verifications are received, the most recent income determination that the applicant/tenant agrees is an accurate determination of household income will be used to document household income.

DE MINIMIS ERRORS - MINIMAL ERRORS IN RENT DETERMINATION

A De minimis error occurs when a household's annual adjusted income is miscalculated by no more than \$360, resulting in the overcharging of rent to a household.

If an error is made, within 14 days of the error being discovered, Champlain Housing Trust will provide written notification informing the tenant that an error was made in the calculation of their rent and state the amount of overpaid rent that is due to the tenant. A credit will be applied to the tenant's ledger, within 30 days of the error being discovered.

CHILDCARE EXPENSES – HARDSHIP EXEMPTION

If a household claims childcare expenses to allow an adult household member to work or go to school, and the household's eligibility for the expense is ending as the household member is no longer working or going to school, a hardship exemption may be requested.

At the time of annual and interim recertification, Champlain Housing Trust will provide household's that were claiming childcare expenses on the last certification, a form titled "Childcare Expenses – Hardship Exemption Request form. This form can be completed by the household to request this exemption.

If granted a hardship exception would allow the household to continue the expense for a 90-day period. After the conclusion of the 90-day period, the household's income and rent will be recalculated by Champlain Housing Trust, and a 30-day notice of any rent increase will be provided. A household may request an extension of this waiver if the hardship continues.

A hardship exception will only be granted, if the loss of the expense would result in the household's inability to pay rent. In order to be eligible for this exemption, a household must:

- Provide documentation that the household's total tenant payment, plus the expense amount, exceeds 45% of the household's adjusted income.
- Demonstrate why the childcare is still needed, even though the household member is no longer working or going to school. Examples include: health treatments, care of family member, loss of childcare if placement is not maintained, etc.

Champlain Housing Trust will provide written notification to the household within 7 days of the request, notifying the household if the exemption is approved or denied, or if an extension is approved or denied.

If approved, the notice will state the new rent, the date that the exemption begins and when it will expire. Households are required to report if the circumstances that made the household eligible for relief are no longer applicable. If Champlain Housing Trust determines that the household is no longer eligible for the exemption, notification will be provided to the household stating the termination date. A 30 day notice of rent increase will be provided, if applicable.

MEDICAL & DISABILITY ASSISTANCE EXPENSES – GENERAL HARDSHIP EXEMPTION

A household claiming medical or disability assistance expenses may only deduct as an expense the amount of the expense that exceeds 10% of the household's gross annual income. If a change in circumstance, such as a large medical bill or loss of income, results in a household's inability to pay rent, the household can request a general hardship exemption to allow the household to deduct as an expense that amount of the expense that exceeds 5% of the household's gross annual income.

At the time of annual and interim recertification, Champlain Housing Trust will provide household's claiming medical or disability assistance expense, a form titled "Medical & Disability Assistance Expenses – Hardship Exemption Request form. This form can be completed by the household to request this exemption.

If granted, a hardship exception would allow the household to deduct medical or disability assistance expenses in excess of 5% for a 90-day period. After the conclusion of the 90-day period, the household's income and rent will be recalculated by Champlain Housing Trust, and a 30-day notice of any rent increase will be provided. A household may request an extension of this waiver if the hardship continues.

A hardship exception will only be granted if the hardship results in the household's inability to pay rent.

In order to be eligible for this exemption, a household must:

- Provide documentation that the household's total tenant payment, plus the expense amount, exceeds 45% of the household's adjusted income.
- Demonstrate that the household has experienced a hardship such as a loss of income, decrease in household size, large medical expense, etc.

Champlain Housing Trust will provide written notification to the household within 30 days of the request, notifying the household if the exemption is approved or denied, or if an extension is approved or denied.

- If approved, the notice will state the new rent, the date that the exemption begins and when it will expire. Households are required to report if the circumstances that made the household eligible for relief are no longer applicable. If Champlain Housing Trust determines that the household is no longer eligible for the exemption, notification will be provided to the household stating the termination date. A 30-day notice of rent increase will be provided, if applicable.

INTERIM RECERTIFICATIONS – CHANGE IN HOUSEHOLD INCOME

Interim Recertifications are conducted to account for changes to household income that occur between annual recertifications.

Income Increases

All increases in income must be reported to Champlain Housing Trust within thirty days of the change. Interim recertifications will be conducted when a household's annual adjusted income has increased by 10% or more. Champlain Housing Trust will not take increases in earned income (wages, military pay, and self-employment) into consideration when determining whether a household's adjusted income has increased by 10% or more.

If changes in income are not reported timely, and such changes in income result in an increase in rent, the increase in rent will be applied retroactively to the first day of the month following the date of the increase. In such cases, the household will be responsible for paying Champlain Housing Trust the retroactive rent amounts owed.

Income Decreases

All decreases in income must be reported to Champlain Housing Trust within thirty days of the change. Interim recertifications will be conducted when a household's annual adjusted income has decreased by 10% or more.

If changes in income are not reported timely, and such changes in income result in a decrease in rent, the decrease in rent will not be applied retroactively to the first day of the month following the date of the decrease in income and instead the decrease in rent will be effective the first day of the month following the date that the household reported the change.

Changes in Household Size

All changes in household size must be reported to Champlain Housing Trust within thirty days of the change. If a permanent decrease in household sizes results in any decrease in rent, Champlain Housing Trust will conduct Interim Recertification to reduce the rent regardless of the percentage decrease in annual adjusted income.

SELF-CERTIFICATION OF ASSETS

When determining household eligibility, the amount of assets held by household members must be taken into consideration.

At move-in or initial certification, all household assets must be verified regardless of the value.

After initial verification, Champlain Housing Trust will accept the household's self-certification that the combined net value of all household assets is less than \$50,000, however, third-party verification of assets is required every third year. If information is received indicating that a household has not fully disclosed all income or assets to Champlain Housing Trust, Champlain Housing Trust reserves the right to require 3rd party verification of assets. Further, in certain circumstances, bank statements or other financial statements may be required to be provided in order to support other income source amounts.

REVOCAION OF CONSENT FORM

At move-in or initial certification, an executed consent form will be signed by all household members over 18. This will remain effective until the household is denied assistance, the assistance is terminated, or the household provides written notification to the Owner to revoke consent. Households have the right to revoke consent by notice to the Owner; however, revoking consent will result in termination of assistance or denial of admission.

HOUSEHOLD MEMBERS TURNING 18 YEARS OLD

When a household has a member turning 18 years old, the household will be notified within 120 days prior to this event. The household member turning 18 years old will be required to sign required release forms and acknowledgements as well as provide information regarding income. Additionally, they will need to sign a lease agreement. Please see Interim Recertification – Change In Household Income for how additional income would be addressed.

ILLEGAL USE OF CONTROLLED SUBSTANCE

Tenants who are found illegally using a controlled substance or the use of the controlled substance is determined by CHT to interfere with the health, safety or right to peaceful enjoyment of the premises by other residents may be subject to eviction.

