

STEPS TO BECOMING A CHA HOUSING CHOICE VOUCHER PROGRAM PARTICIPANT

STEP 1 Formal Application and Interview

Once applicants are pulled from the Waiting List, they must provide income verification, family composition, and social security numbers for all family members as well as other information used in determining eligibility. The Waiting List is established via periodic lotteries which are advertised in the local media. Applicants 18 years and older must also pass a criminal background screening.

STEP 2 Voucher Briefing

Voucher Families must attend a briefing to receive their Housing Choice Voucher. They will receive information such as the Family Obligations agreement, how and where to find a unit, how to maintain the unit, how to remain on the program, being a good neighbor, and other helpful information on tenancy.

STEP 3 Using Your Voucher

Participants are responsible for finding their own rental unit. This is called the “finders keepers” feature of the program. The family will have a Request for Tenancy Approval and a Voucher indicating their unit size eligibility.

STEP 4 Inspection

The initial inspection is conducted and must meet CHA’s and HUD’s Housing Quality Standards (HQS).

STEP 5 Rent Reasonableness

The Owner submits his/her requested monthly rental amount to CHA. The rent must be reasonable and in accordance with CHA and HUD guidelines. CHA performs a test to make sure the rent is reasonable.

STEP 6 Signing the Lease

The Participant and Owner will sign the Lease and Lease Addendum. CHA is not a party to the Lease. The Owner and CHA execute the HAP contract. The Voucher Family is not a party to the HAP contract.

STEP 7 Rental Assistance and HAP Begin

After all documents are signed and the Voucher Family moves in, the Housing Assistance Payment will begin. The HAP is the amount paid by CHA to the Owner on behalf of the Voucher Family. It is the difference between the cost of the monthly rent and the portion of the rent paid by the Voucher Family.

STEP 8 Successful Tenancy

The Voucher Family follows all rules and regulations while living in and moving out of the unit.

BECOMING A PROGRAM PARTICIPANT

STEP 1 FORMAL APPLICATION AND INTERVIEW

Waiting List

Generally, a family interested in participating in the Housing Choice Voucher Program must apply to CHA when the Waiting List is open and applications are being accepted. CHA must give public notice of when the Waiting List will open and where applications will be taken. CHA advertises the notice in local newspapers, at social service agencies, and other locations available to applicants.

Applicants participating in the Project-Based Voucher Program and Moderate Rehabilitation Program who are on the Waiting List are also on the Project-Based Voucher and Moderate Rehabilitation Waiting List. These applicants are pulled as funding becomes available for either of these three programs.

A family may be admitted to the program without being on the Waiting List if they are relocating or porting in from another housing authority.

Relocation

As part of CHA's overall commitment to improve the lives of public housing residents, this agency has undertaken a phenomenal redevelopment program. Residents are given a choice to relocate under the Housing Choice Voucher Program on a permanent or temporary basis, or relocate to another public housing unit. A number of Voucher Families choose the Housing Choice Voucher Program, and many relocate permanently.

Portability

A Voucher Family has the ability to move from one Housing Authority's jurisdiction to another and continue to receive assistance. Voucher Families can port to any location in the country that has a Housing Agency (HA). Voucher Families have taken full advantage of this option. Portability is explained in greater detail later in Section 4.

Project-Based Voucher Program and Moderate Rehabilitation Program

These programs have a unit-based subsidy. Project-based voucher families may move after one year with a voucher *if* a voucher is available. If a Moderate Rehabilitation Participant moves from the unit, they will no longer receive rental assistance. Applicants are referred to the Owner from the Waiting List. All families must be certified as eligible to participate in a unit-based subsidized program in the same fashion as the tenant-based program.



INFORMAL REVIEW

All applicants who have been denied assistance to the program have the right to an Informal Review. CHA must give the applicant prompt notice of a decision denying assistance. The notice will include a reason for the decision and guidelines on how to request an Informal Review. The request must be submitted to CHA within 10 days after receiving the denial letter. The review will be conducted by a person other than the person making the decision. CHA will notify the applicant with a brief statement of the reason for the final decision within 30 calendar days of the Informal Review.

Possible Reasons for Denial of Assistance

The following is a list of possible reasons an applicant may be denied assistance:

- The family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- A family member has been evicted from federally-assisted housing in the last five years.
- A Public Housing Authority (PHA) has terminated assistance under the program for any member of the family.
- The family currently owes rent or other amounts to any PHA in connection with the HCVP, Moderate Rehabilitation, or public housing programs.

INCOME LIMITS

In order to be considered eligible for CHA's Housing Choice Voucher Program, an applicant's income (based upon their household composition) must not exceed the guidelines outlined in Table 2.1 below.

Table 2.1: 2009 Income Limits for Chicago

FY 2008 Income Limit Area	Median Income	FY 2008 Income Limit Category	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
Chicago- Metro Area	\$74,900	Very Low (50%) Income Limits	\$26,400	\$30,150	\$33,950	\$37,700	\$40,700	\$43,750	\$46,750	\$49,750
		Low (80%) Income Limits	\$42,200	\$48,250	\$54,250	\$60,300	\$65,100	\$69,950	\$74,750	\$79,600

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After you have been pulled from the Waiting List, designated as a Relocatee / Project-Based Voucher / Moderate Rehabilitation, or ported to our jurisdiction, you will be required to complete an application about your income and your family composition.

Once a family has been accepted as an applicant (except for Project-Based and Moderate Rehabilitation Programs) they must be certified and issued a Housing Choice Voucher, which authorizes the family to search for housing.

ANNUAL INCOME

Annual income is equal to all income from all sources (monetary or not) that all family members are receiving. Some of the income may not be counted, but the Voucher Family is responsible for reporting it. CHA will make the final determination based on HUD rules and regulation if the income will be counted. CHA then calculates the Total Tenant Payment (TTP), which is the first step in determining the amount of rental assistance the Voucher Family may receive. Examples of income that the Voucher Family may receive are listed below in Exhibit 2.1. Examples of income that may be excluded from a Voucher Family's income are listed in Exhibit 2.2 below.

Exhibit 2.1: Examples of Income

- Employment
- Net Income from a Business
- Regular Gifts/Contributions
- Unemployment
- Net Income from Real or Personal Property
- Pensions
- Child Support
- Workers' Compensation
- Checking Accounts
- Welfare Assistance
- Pensions
- Savings Accounts
- Alimony
- Social Security
- Interest from Assets
- Military Pay
- SSI
- Stocks/Bonds/Money Market Accounts

Exhibit 2.2: Examples of Excluded Income

- *Live-in aides*
Income from all sources is excluded
- *Foster child or foster adult*
Income from all sources is excluded
- *Children under 18 years of age*
Employment income is excluded
- *Full-time students 18 years of age or older*
Employment income above \$480/year is excluded
- *Food Stamps*
Income is excluded
- *Adoption Care Income*
Income above \$480 is excluded

NOTE: If a family member is receiving welfare income and the payment is reduced for non-compliance with a welfare agency's self-sufficiency program or fraud, the CHA will continue to count the amount that was reduced. CHA will verify the amount, terms and reason for the non-compliant amount with the welfare agency.

ADJUSTED INCOME

Adjusted income is the annual income minus HUD approved mandatory deductions:

- \$480 for each minor under 18 years of age and for 18 year olds that are full-time students or persons with disabilities (no age limit) excluding the head of household or spouse.
- \$400 one time deduction if head of household, spouse, or sole member is 62 or is a person with a disability.
- Reasonable child care deductions for minors 12 years of age and younger, to enable a family member to work, attend school full-time, or seek employment.
- Medical expenses for an elderly/disabled head of household and all family members greater than 3% of the annual household income.
- Disability assistance expenses that exceed 3% of the annual household income if it allows a disabled family member to work.

The annual adjusted income is divided by 12 to determine the monthly adjusted income. After the adjusted income is calculated, the TTP is determined.

The TTP is the greater of:

- 30% of the Voucher Family's monthly adjusted income
- 40% of the Voucher Family's monthly adjusted income (maximum subsidy standards, for moving families only)
- 10% of the Voucher Family's gross monthly income
- \$75 minimum rent

Refer to Examples 2.1–2.4 on the following page for sample rent calculations based on a two bedroom, single family home where the family pays for the utilities.

Exhibit 2.3 provides information from HUD about "Things You Should Know" when applying for assisted housing. It also identifies fraud and penalties for committing fraud.

MINIMUM RENT

CHA has established a minimum rent of \$75 for the Housing Choice Voucher Program. Participants who cannot afford the \$75 may request a *financial hardship exemption*. CHA will determine if a hardship exists based on the following situations:

- The Voucher Family has lost eligibility or is awaiting an eligibility determination for Federal, State, or Local assistance
- The Voucher Family would be evicted as a result of the imposition of the minimum rent requirement
- The income of the Voucher Family has decreased because of changed circumstances, including:
 - Loss of employment
 - Death in the family

A minimum rent hardship exception does not apply if the hardship is determined to be *temporary*. A *temporary hardship* is defined as less than 90 days.

To qualify for a hardship exemption, the Voucher Family must submit a written request for the exemption. If an exemption is granted, CHA will suspend payment of the minimum rent beginning the month following the Voucher Family's hardship request.

If CHA determines that the hardship is temporary, a minimum rent may not be imposed for a period of 90 days from the date of the Voucher Family's request. At the end of the 90-day suspension period, a minimum rent is imposed retroactively to the time of suspension. A reasonable repayment agreement must be offered for any minimum rent back payment by the family.

If CHA determines that the hardship is long-term, CHA must exempt (retroactively to the date of the Voucher Family's request for a minimum rent exception) the Voucher Family from the minimum rent payment until the hardship no longer exists.

Note: The family may request an Informal Hearing if CHA denies a hardship exemption.

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Example 2.1: Elderly head of household with 1 dependent

Head of Household: Social Security \$585 per month
 Dependent: Child Support \$ 65 per week

Annual Income \$10,400
 Adjusted Income \$9,520

Total Tenant Payment (TTP)

Total Monthly Income \$867
 10% of Annual Income \$87
 Adjusted Monthly Income \$793
 30% of Adjusted Monthly Income \$238
 Minimum Rent \$75
TTP \$238

Tenant Rent Calculation

Payment Standard \$1,104
 Contract Rent Amount \$950
 Utility Allowance \$154
 Gross Rent of Unit \$1,104
 TTP \$238
 Total HAP (Gross rent – TTP) \$866
 Owner HAP \$866
 (*Lessor of Contract Rent & HAP*)

Tenant Rent (Contract Rent – Owner HAP) .. \$84

Example 2.2: Head of household with 2 dependents

Head of Household: Zero income
 Dependent: NO Child Support

Annual Income \$0
 Adjusted Income \$0

Total Tenant Payment (TTP)

Total Monthly Income \$0
 10% of Annual Income \$0
 Adjusted Monthly Income \$0
 30% of Adjusted Monthly Income \$0
 Minimum Rent \$75
TTP \$75

Rent Calculation

Payment Standard \$1,104
 Contract Rent Amount \$950
 Utility Allowance \$154
 Gross Rent of Unit \$1,104
 TTP \$75
 Total HAP (Gross Rent – TTP) \$1029
 Owner HAP \$950
 (*Lessor of Contract Rent & HAP*)

Tenant Rent (Contract Rent – Owner HAP) ... \$0

Utility Reimbursement (\$1029-\$950) \$79

Example 2.3: Part-time employed head of household with 2 dependents

No other allowable expenses.

Head of Household: \$360 bi-weekly
 Dependent: NO Child Support

Annual Income \$9,360
 Adjusted Income \$8,400

Total Tenant Payment (TTP)

Total Monthly Income \$780
 10% of Annual Income \$78
 Adjusted Monthly Income \$700
 30% of Adjusted Monthly Income \$210
 Minimum Rent \$75
TTP \$210

Tenant Rent Calculation

Payment Standard \$1,104
 Contract Rent Amount \$950
 Utility Allowance \$154
 Gross Rent of Unit \$1,004
 TTP \$210
 Total HAP (Gross Rent – TTP) \$894
 Owner HAP \$894
 (*Lessor of Contract Rent & HAP*)

Tenant Rent (Contract Rent – Owner HAP) \$56

Example 2.4: Employed head of household and employed spouse with 2 dependents

Head of Household: \$23,000 annually
 Spouse: \$21,000 annually

Annual Income \$44,000
 Adjusted Income \$40,040

Total Tenant Payment (TTP)

Total Monthly Income \$3,667
 10% of Annual Income \$ 368
 Adjusted Monthly Income \$3,337
 30% of Adjusted Monthly Income \$1,001
 Minimum Rent \$ 75
TTP \$1,001

Tenant Rent Calculation

Payment Standard \$1,104
 Contract Rent Amount \$950
 Utility Allowance \$ 154
 Gross Rent of Unit \$1,004
 TTP \$1,001
 Total HAP (Gross Rent – TTP) \$103
 Owner HAP \$103
 (*Lessor of Contract Rent & HAP*)

Tenant Rent (Contract Rent – Owner HAP) .. \$847

Exhibit 2.3: "Things You Should Know" from HUD (page 1 of 2)

U.S. Department of Housing and Urban Development
Office of Inspector General



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Things You Should Know

Don't risk your chances for Federally assisted housing by providing false, incomplete, or inaccurate information on your application forms.

Purpose	This is to inform you that there is certain information you must provide when applying for assisted housing. There are penalties that apply if you knowingly omit information or give false information.
Penalties for Committing Fraud	<p>The United States Department of Housing and Urban Development (HUD) places a high priority on preventing fraud. If your application or recertification forms contain false or incomplete information, you may be:</p> <ul style="list-style-type: none"> • Evicted from your apartment or house; • Required to repay all overpaid rental assistance you received; • Fined up to \$10,000; • Imprisoned for up to 5 years; and/or • Prohibited from receiving future assistance. <p>Your State and local governments may have other laws and penalties as well.</p>
Asking Questions	When you meet with the person who is to fill out your application, you should know what is expected of you. If you do not understand something, ask for clarification. That person can answer your question or find out what the answer is.
Completing The Application Income	When you answer application questions, you must include the following information:
Assets	<ul style="list-style-type: none"> • All sources of money you or any member of your household receives (wages, Welfare payments, alimony, social security, pension, etc.); • Any money you receive on behalf of your children (child support, social security for children, etc.); • Income from assets (interest from a savings account, credit union, or certificate of deposit: dividends from stock, etc.); • Earnings from second job or part time job; • Any anticipated income (such as a bonus or pay raise you expect to receive) • All bank accounts, savings bonds, certificates of deposit, stocks, real estate, etc. that are owned by you and any adult member of your family's household who will be living with you. • Any business or asset you sold in the last 2 years for less than its full value, such as your home to your children. • The names of all of the people (adults and children) who will actually be living with you, whether or not they are related to you.

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Exhibit 2.3: "Things You Should Know" from HUD (page 2 of 2)

Signing the Application	<ul style="list-style-type: none">• Do not sign any form unless you have read it, understand it, and are sure everything is complete and accurate.• When you sign the application and certification forms, you are claiming that they are complete to the best of your knowledge and belief. You are committing fraud if you sign a form knowing that it contains false or misleading information.• Information you give on your application will be verified by your housing agency. In addition, HUD may do computer matches of the income you report with various Federal, State, or private agencies to verify that it is correct.
Reexaminations	<p>You must provide updated information when requested. Some programs require that you report any changes in income or family/household composition immediately. Be sure to ask when you must recertify. You must report on reexamination forms:</p> <ul style="list-style-type: none">• All income changes, such as increases of pay and/or benefits, change or loss of job and/or benefits, etc., for all household members.• Any move in or out of a household member; and,• All assets that you or your household members own and any assets that was sold in the last 2 years for less than its full value.
Beware of Fraud	<p>You should be aware of the following fraud schemes:</p> <ul style="list-style-type: none">• Do not pay any money to file an application;• Do not pay any money to move up on the waiting list;• Do not pay for anything not covered by your lease;• Get a receipt for any money you pay; and,• Get a written explanation if you are required to pay for anything other than rent (such as maintenance charges).
Reporting Abuse	<p>If you are aware of anyone who has falsified an application, or if anyone tries to persuade you to make false statements, report them to the manager of your complex or your PHA. If that is not possible, then call the local HUD office or the HUD Office of Inspector General (OIG) Hotline at (800) 347-3735. You can also write to: HUD-OIG HOTLINE, (GFI) 451 Seventh Street, S.W., Washington, DC. 20410.</p>