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# IHCDA Project Based Voucher Program Manual



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# Table of Contents

- Section 1: Background ..... 4
- Section 2: The Housing Assistance Payment Contract..... 4
  - 2.1 Housing First ..... 4
  - 2.2 Tenant Selection Plan..... 4
  - 2.3 Supportive Services..... 4
  - 2.4 Annual Rent Increases..... 5
- Section 3: Eligible Households ..... 5
  - 3.1 Initial Lease-Up Process..... 5
  - 3.2 Mandatory Denial of Assistance ..... 6
- Section 4: Ongoing Household Reporting ..... 6
  - 4.1 Annual Reexaminations ..... 6
  - 4.2 Changes in Household Composition ..... 6
  - 4.3 Change in Household Income ..... 7
  - 4.4 Zero Income Households ..... 8
- Section 5: Eviction Prevention..... 8
  - 5.1 Eviction Prevention Plan Requirements..... 8
- Section 6: Housing Quality Standards ..... 8
  - 6.1 Move-in Inspections..... 8
  - 6.2 Annual Inspections..... 9
  - 6.3 Special Inspections..... 9
  - 6.4 Failed Inspections..... 9
  - 6.5 Re-Inspections..... 9
  - 6.6 Proof of Repair as Alternative to Re-Inspections..... 9
- Section 7: Payment Process..... 10
  - 7.1 Housing Assistance Payments..... 10
- Section 8: Tenants Moving from the Property ..... 10
  - 8.1 Tenant Request to Move ..... 10
  - 8.2 Tenant Abandons Unit ..... 10
  - 8.3 Tenant Absent from a Unit..... 10
  - 8.4 Termination and End of Assistance ..... 11
- Section 9: Homeless Management Information System (HMIS) ..... 11
- EXHIBIT A: OVERVIEW OF HUD HOUSING QUALITY STANDARDS..... 13
  - Sanitary Facilities..... 13
  - Food Preparation and Refuse Disposal ..... 13
  - Space and Security ..... 13
  - Thermal Environment ..... 13

Illumination and Electricity .....	13
Structure and Materials .....	13
Interior Air Quality .....	14
Water Supply .....	14
Lead-Based Paint .....	14
Access .....	14
Site and Neighborhood .....	14
Sanitary Condition .....	15
Smoke Detectors .....	15
Hazards and Health/Safety .....	15

## Section 1: Background

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This is the IHCD Project Based Voucher (PBV) Property Manager Handbook which provides IHCD guidance on issues related to Section 8 and Housing Assistance Payment (HAP) Compliance. IHCD awards PBV awards to properties that were developed through the Indiana Permanent Supportive Housing Institute and have committed to provide permanent supportive housing (PSH) using a housing first approach. This handbook outlines the responsibilities of the property manager in the PBV program.

## Section 2: The Housing Assistance Payment Contract

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The IHCD PBV Program provides rental assistance to households residing in PSH units. The rental assistance covers the remaining rent after the household pays a tenant portion equal to 30% of their monthly adjusted income. When a property executes a HAP contract they commit to following an IHCD approved tenant selection plan and using a housing first approach for the property. Each HAP contract includes the property tenant selection plan (TSP) and the supportive service MOU as exhibits. Failure to follow the TSP or provide the services identified in the supportive service MOU may result in termination of the HAP contract by IHCD.

### 2.1 Housing First

Housing First is an approach to quickly and successfully connect individuals and families experiencing a housing crisis to permanent housing without preconditions and barriers to entry, such as sobriety, treatment or service participation requirements. Supportive services are offered to maximize housing stability and prevent returns to homelessness as opposed to addressing predetermined treatment goals prior to permanent housing entry.<sup>1</sup>

### 2.2 Tenant Selection Plan

Property management must be able to demonstrate compliance with the TSP in the HAP contract. If the TSP identifies a referral source (Coordinated Entry or other) each tenant file should include a copy of the original referral for the tenant. Additionally, if the TSP identifies a specific target population the tenant file must include verification that the family meets the target population definition as identified in the TSP.

If a tenant is selected outside of the referral process identified in the TSP, documentation must be provided showing no eligible participant was available through the referral source at the time the tenant was selected. All TSPs should include details on policies and procedures to be followed when no referrals are available.

### 2.3 Supportive Services

Supportive services must be offered to all PSH residents in the property. Properties cannot require tenants to participate in supportive services. All supportive services identified in the supportive services MOU must be offered throughout the term of the HAP contract. If a supportive services MOU is terminated by either party, IHCD must be notified immediately. If a new supportive service MOU is not executed in a timely matter the HAP contract may be terminated.

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<sup>1</sup> <https://www.hudexchange.info/resources/documents/Housing-First-Permanent-Supportive-Housing-Brief.pdf>

If at any time an IHCD monitoring (e.g. HCV, HOME, or RHTC) reveals that the services identified in an MOU are not being actively offered to residents the HAP contract may be terminated.

## 2.4 Annual Rent Increases

At the anniversary date of the HAP contract a rental increase may be requested for the units covered by a HAP contract. The rent increase will raise contract rents to 100% of the applicable HUD calculated Fair Market Rents. Rent increases will for each unit will be processed at a households next annual reexamination or at unit turnover. The owner must request the rent increase between 60 and 15 days prior to the anniversary date of the HAP contract.

# Section 3: Eligible Households

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## 3.1 Initial Lease-Up Process

When a tenant is selected for a vacant unit, the PBV caseworker (IHCD or its designated subcontractor) should be notified and provided with the name and contact information for the head of household. The owner is solely responsible for ensuring compliance with regulations for RHTC, HOME or any other programs that apply to the unit the household will occupy.

Many documents requested from the household for capital funding programs will also be needed by the PBV caseworker to establish eligibility for the PBV subsidy. Copies of the following documents should be shared with the PBV caseworker to minimize the time between a potential tenant being identified and being approved to move-in:

- Income Documentation
  - Pay Stubs (2 most recent)
  - SSI, SSDI, or other government benefit award letters
  - Child Support (payment printout or court order)
  - Other sources of regular income (inquire with PBV caseworker about how to document)
- Assets Documentation
  - Bank Statements
  - If a household has other assets the PBV caseworker should be contacted to discuss if further documentation is needed
- Birth Certificates and Social Security for all household members
  - If a Birth Certificate or Social Security card is not available at the time of move in the resident has 30 days to provide a copy or proof that a copy has been ordered
  - If no Birth Certificate or Social Security card is available within 30 days of move in the property manager and tenant should work with the PBV caseworker to identify alternative documentation
- Photo Identification for all household members over the age of 18
  - If no Photo ID is available, the PBV caseworker should be contacted about alternative documentation

Once the documents listed above are provided to the PBV caseworker an initial eligibility determination will be made for the household based on their income level and criminal history. If the household is eligible, a briefing will be scheduled for the household. All household members over the age of 18 are required to attend the briefing. Briefings will be conducted in person, preferably at the property if an office or common area is available. Before the briefing, the PBV caseworker will look through the

documents the property manager has provided and determine if any additional documents are needed from the household. The PBV caseworker will provide the property manager with a list of any documents that still need to be collected from the household. IHCD A expects that the property manager will work with the household to ensure that those documents are brought to the briefing or obtained as soon as possible.

At the briefing the property manager should be ready to enter into a lease agreement and allow the household move-in. Once the client moves in, HAP payments will begin within 60 days.

### 3.2 Mandatory Denial of Assistance

HUD requires IHCD A to deny assistance to a household in the following two instances:

1. Any household member has ever been convicted of manufacturing or producing methamphetamines on the premises of federally assisted housing
2. Any household member is subject to the lifetime registered sex offenders list

Property management may check the sex offender status of household members through [nsopw.gov](https://nsopw.gov). The PBV case manager will conduct a criminal background check and notify the property manager if a household member is being denied assistance due to previously being convicted of manufacturing or producing methamphetamines on the premises of federally assisted housing. In either case the household must be offered the opportunity to remove the ineligible member from the household.

IHCD A does not deny assistance to an income and student eligible household for any other reason in the PBV program.

## Section 4: Ongoing Household Reporting

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### 4.1 Annual Reexaminations

Once a year IHCD A must conduct an income calculation for each household receiving a PBV. These annual reexaminations will coincide with the anniversary date of the household's lease. HUD allows IHCD A to begin conducting these annual reexaminations 120 days in advance of when they are due. By conducting these in advance of the due date possible delays in HAP due to missing documentation can be avoided. The PBV caseworker will notify the tenant, through mail, of their approaching reexamination 90-120 days in advance.

The notification of annual reexamination sent to the tenant will include directions on what documents need to be provided to the PBV caseworker. IHCD A expects that property management work with the household to ensure all documents are provided on time. Documents can be mailed or emailed to the PBV caseworker.

Once all documents are provided the PBV caseworker will send a letter to the property manager and tenant notifying them of any changes in the tenant portion of the rent.

### 4.2 Changes in Household Composition

The PBV caseworker must be notified of any household members being added or removed from the household. While this is also the responsibility of the tenant, IHCD A expects property management to be aware of these changes and to communicate them to IHCD A.

When the PBV caseworker is notified of a household member being added, the eligibility of that

household member must be verified. Property management should work with the household to provide the PBV caseworker any applicable documents listed in section 3.1 above for the new household member. The PBV caseworker will then approve or deny the new household member.

When the size of a household changes it is possible that the family will no longer be eligible for the unit they reside in due to being either over or under housed. The IHCDA policy for unit size is:

IHCDA will assign one bedroom/HUD approved sleeping space for each two persons within the household, except in the following circumstances:

- Persons of the opposite sex (other than spouses, domestic partners, romantic partners, and children under age 5) will be allocated separate bedrooms/sleeping spaces.
- Live-in aides will only be allocated one separate bedroom/sleeping space and must not exceed HQS overcrowding standards.
- Single person families will be allocated zero or one bedroom/sleeping spaces.
- Pregnant women will be allocated two bedrooms/sleeping spaces.
- Where families are approved foster parents for foster adults or foster children but where the child would not be in the home without the placement from a state or local placement authority, an extra bedroom/sleeping space cannot be authorized.

IHCDA will reference the following chart in determining the appropriate voucher size for a family:

Voucher Size	Persons in Household
1 Bedroom/Sleeping Space	1-2
2 Bedroom/Sleeping Space	2-4
3 Bedroom/Sleeping Space	3-6
4 Bedroom/Sleeping Space	4-8
5 Bedroom/Sleeping Space	6-10

In some instances, the family may be eligible of an extra bedroom due to a reasonable accommodation. In these cases, the PBV caseworker will notify the property manager of the appropriate size unit for the household.

If the addition of a household member causes a household to be underhoused, property management should offer the family an appropriately sized unit in the building if one is available. If no appropriately sized unit is available, the property should allow the household to break their lease and IHCDA will provide the household with a tenant-based voucher.

If a family is over housed due to the removal of a household member, IHCDA will allow the household to continue to reside in their unit until their next annual reexamination, which will be at the same time as their lease expiration. At their next annual reexamination, the property must offer the household an appropriately sized unit if one is available. If no unit is available, the household will be provided a tenant-based voucher to move from the property.

### 4.3 Change in Household Income

IHCDA must be notified of any household change of income within 15 days of the change. If the change of income results in an increase of household income no action will be taken, and the tenant rent portion will not change until the next annual reexamination. If the change in income results in a decrease of household income an interim change must be processed.

To process an interim change of income the PBV caseworker will need documentation of the change in income. The income documentation should be provided as described in section 3.1 of this handbook.

#### 4.4 Zero Income Households

If a household has been determined to have no income, they are required to recertify their income every 3 months. The PBV caseworker will mail the tenant a notice requesting they recertify their status. Since these are regularly occurring recertifications IHCDA expects property management to assist in collecting the certification if the tenant does not respond to the request in a timely manner.

## Section 5: Eviction Prevention

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### 5.1 Eviction Prevention Plan Requirements

IHCDA requires all PBV properties have an eviction prevention plan. This eviction prevention plan should be included as an addendum to the management plan.

Evictions are costly for property managers both financially and personally. Even informal evictions that are not court ordered can result in surmounting bad debts, vacancy loss, and excess property damage. For tenants, an eviction (formal or not) often re-starts a cycle of homelessness that could have been mitigated by eviction prevention policies.

Eviction prevention plans for PBV properties as well as plans for individual tenants should be developed in conjunction with the supportive services provider at the property. Effective eviction prevention strategies involve property management staff, supportive services staff, and tenants working together to mitigate lease violations. Tenants should be able to have a representative to support or advocate for the tenant during meetings with property management regarding eviction. Eviction prevention plans will often require tenants to follow-up or meet with the supportive services provider on a regular basis for a limited time. While property management staff should coordinate with supportive services staff, with the tenant's permission, to identify and enact appropriate eviction preventing strategies, property management staff should not determine or dictate a tenant's individual treatment plan. In other words, while property management staff can require a tenant to meet with their supportive services provider to develop a services plan, property management staff should not dictate the content of that services plan.

All approaches to eviction prevention, including provisional leases, must focus on the lease violations themselves, not behaviors or activities that property management or supportive services staff believe may be an underlying cause of the violating action. For instance, in the case where a tenant commits a lease violation following use of drugs or alcohol, the eviction prevention plan should focus on preventing the specific lease violation and not on preventing drug or alcohol use.

If your property does not have an eviction prevention plan or if your plan needs to be updated, please contact IHCDA so a new plan can be developed in consultation with CSH and IHCDA.

## Section 6: Housing Quality Standards

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### 6.1 Move-in Inspections

Before a household moves into a unit it must be inspected and pass Housing Quality Standards. The Housing Quality Standards cover the following areas:



- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based pain
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors

An overview of requirements for each of these standards is included in this handbook as Exhibit A.

## 6.2 Annual Inspections

In addition to Initial Inspections IHCDA also conducts a sample of at least 20% of units under HAP contract annually. These inspections follow the same standards as initial inspections. If 20% of the sampled units fails inspection, 100% of the units under HAP contract will be inspected. These inspections occur on or around the anniversary date of the HAP contract and IHCDA will contact the property manager to schedule the inspections.

## 6.3 Special Inspections

If a tenant notifies their PBV caseworker of a life-threatening condition in a unit IHCDA will conduct a special inspection. IHCDA will inspect the unit within 1 business day of being notified. The inspection will determine if a life-threatening condition is present and if it is tenant caused or the property's responsibility.

## 6.4 Failed Inspections

After an inspection is conducted the tenant and property manager will receive a letter stating if the unit failed an inspection and identifying what caused the failed inspection. The letter will identify if the deficiencies are life-threatening or non-life-threatening. Life-threatening deficiencies must be corrected within 24 hours of notice. Non-life-threatening deficiencies must be corrected within 30 days of notice.

## 6.5 Re-Inspections

If a unit fails inspection it must be re-inspected at the end of the correction period or once property management notifies IHCDA the deficiency has been corrected (whichever is first). If a unit is re-inspected and the unit still fails inspection IHCDA may stop HAP payments for the unit until the deficiency is corrected. IHCDA will not stop HAP payments for tenant caused failures (i.e. excessive hoarding).

## 6.6 Proof of Repair as Alternative to Re-Inspections

In some instances, IHCDA may allow property management to remotely verify that a deficiency has been resolved. The following two processes can be used for this:

1. Photograph Verification- The party responsible for the failure may use photographs to verify remediation of the failed item. IHCDA must be able to ensure the photo is of the item being replaced

(i.e. no close ups of items- need to see the surrounding area as well). IHCDA will also call the tenant and request their confirmation that the failure has been resolved.

2. Use of Paid Invoice- The property may submit a copy of an invoice for the repair to IHCDA. The invoice must include the date the repair was completed. IHCDA will also call the tenant and request their confirmation that the repair was completed.

## Section 7: Payment Process

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### 7.1 Housing Assistance Payments

At the beginning of each month IHCDA or its Subcontractor will pay the property rental assistance subsidy through direct deposit. The property manager will receive a payment report from IHCDA which will include the head of household name, payment amount, and month the payment is for. The property manager should review the payment report and verify that each household listed on the report is still a resident. If there are any errors on the report (missing payments or extra payments) the property manager should notify IHCDA and corrections will appear on the following month report.

## Section 8: Tenants Moving from the Property

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### 8.1 Tenant Request to Move

When a resident notifies property management that they would like to move the PBV caseworker must be notified. Households are not eligible to move until they have resided in their unit for at least 1 year. The PBV caseworker will then work with the client to determine if they eligible to move and assist them in the process. Property management should not identify a new resident for the unit until it has been vacated as frequently tenants are unsuccessful in their housing search and ultimately decide to stay in their unit.

### 8.2 Tenant Abandons Unit

If property management becomes aware that a unit has been abandoned and the resident cannot be contacted the PBV caseworker must be notified immediately. A unit is considered abandoned if the tenant has removed all their belongings from the unit and cannot be HAP payments for the unit will be stopped immediately and a new household must be identified for the unit as soon as possible through the properties tenant selection plan.

### 8.3 Tenant Absent from a Unit

A family member or head of a household may be absent from the unit for up to 180 consecutive days due to educational activities, placement in foster care, employment, illness, incarceration, and court order. If the absence is expected to last longer than 180 consecutive days, the family member is considered permanently absent and should be removed from the household. If the head of household becomes permanently absent another adult must become the head of household or the family will be terminated.

In the below instances a family member absent for more than 180 consecutive days will not be removed from the household:

- Absent student- the individual will continue to be counted unless the student establishes a separate household (i.e. enters a lease)
- Absence due to placement in foster care- A family member placed in foster care will remain a member of the household as long as DCS or APS confirms that the child/adult has not been

permanently removed.

- Employment- an individual who is absent due to employment will not be removed as long as they are expected to return to the unit.

## 8.4 Termination and End of Assistance

There are a few reasons a PBV program participant may no longer be eligible for the PBV program. IHCD generally uses termination of assistance only when no other option is available, but in some situations, HUD requires that assistance be terminated. The following instances will result in a termination or end of PBV assistance:

1. Failure to Provide Consent
  - a. If a household does not provide the necessary documentation to complete an annual reexamination (see section 4) assistance may be terminated. Generally, the PBV caseworker will notify property management if a household's annual recertification date is approaching and they have failed to provide the necessary documentation. Property management is expected to work with the household at this point to provide all documents and avoid termination
2. Failure to Disclose and Document Social Security Number
  - a. If a household is unable to provide documentation of a SSN for a household member a termination of assistance may occur. The household will have the option to remove the family member whose documentation is missing and avoid termination. IHCD can provide extensions to provide documentation if the household can demonstrate they are making an effort to obtain the document.
3. Six consecutive months of zero HAP
  - a. If a household's income has increased to the point where their tenant portion of rent is 100% of the contract rent for 6 consecutive months they will be graduated from the PBV program. In these instances the family must move at the end of their lease term so that the unit is made available for an eligible family. The PBV caseworker will notify the tenant and property manager if a household is approaching 6 consecutive months of zero HAP.
4. If eviction prevention procedures (see section 5) have been followed and an eviction is still being pursued IHCD has the discretion to terminate assistance.

## Section 9: Homeless Management Information System (HMIS)

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IHCD requires all PBV properties that have units dedicated to households experiencing homelessness or at-risk of homelessness to record household information in the relevant HMIS for the property. HMIS is a database designed to capture information about individuals experiencing homelessness to address their service needs and to evaluate the efficacy of housing and service programs. Currently, there are two HMIS leads in Indiana, one that covers Marion County, and one that covers the balance of the state. All properties must be in compliance with the HMIS that covers their geographic location.

Information may be entered by a service provider partner or another entity associated with the property. For more information or to set-up a development in HMIS, you may contact:

Marion county:

[info@chipindy.org](mailto:info@chipindy.org)

<https://www.indycoc.org/programs-policies/hmis>

Balance of the state:

[HMIShelpdesk@ihcda.in.gov](mailto:HMIShelpdesk@ihcda.in.gov)

<https://www.in.gov/ihcda/indianabos/2409.htm>

General HMIS information:

<https://www.hudexchange.info/programs/hmis/>

# EXHIBIT A: OVERVIEW OF HUD HOUSING QUALITY STANDARDS

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

## Sanitary Facilities

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

## Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

## Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

## Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

## Illumination and Electricity

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. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

## Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

## Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

## Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

## Lead-Based Paint

Lead-based paint requirements apply to dwelling units **built prior to 1978** that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. **Owners must:**

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed,
- Provide all prospective families with "Protect Your Family from Lead in Your Home",
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities within 30 calendar days when identified by IHCDA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint
- Maintain covered housing without deteriorated paint if there is child under six in the family and the home was built prior to 1978.

For units occupied by elevated blood lead level (lead poisoned) children under six years of age, an environmental investigation must be conducted (paid for by IHCDA). If lead hazards are identified during the environmental investigation, the owner must complete hazard reduction activities within 30 days.

## Access

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

## Site and Neighborhood

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

## Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

## Smoke Detectors

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 person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

## Hazards and Health/Safety

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.