

## **Chapter 4**

### **APPLICATIONS, WAITING LIST AND TENANT SELECTION**

#### **INTRODUCTION**

When a family wishes to receive assistance under the HCV program, the family must submit an application that provides the MHC with the information needed to determine the family's eligibility. HUD requires the MHC to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, the MHC must select families from the waiting list in accordance with HUD requirements and MHC policies as stated in the administrative plan and the annual plan.

The MHC is required to adopt clear policies and procedures for accepting applications, placing families on the waiting list, and selecting families from the waiting list and must follow these policies and procedures consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or the MHC that justify their selection. Examples of this are the selection of families for income targeting and the selection of families that qualify for targeted funding.

HUD regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that the MHC affirmatively further fair housing goals in the administration of the program [24 CFR 982.53, HCV GB p. 4-1]. Adherence to the selection policies described in this chapter ensures that the MHC will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and MHC policies for taking applications, managing the waiting list and selecting families for HCV assistance. The policies outlined in this chapter are organized into three sections, as follows:

Part I: The Application Process. This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the MHC will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how the MHC's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for assistance. It also discusses the process the MHC will use to keep the waiting list current.

Part III: Selection for HCV Assistance. This part describes the policies that guide the MHC in selecting families for HCV assistance as such assistance becomes available. It also specifies how in-person interviews will be used to ensure that the MHC has the information needed to make a final eligibility determination.

## **PART I: THE APPLICATION PROCESS**

### **4-I.A. OVERVIEW**

This part describes the MHC policies for making applications available, accepting applications, making preliminary determinations of eligibility and the placement of applicants on the waiting list. This part also describes the MHC's obligation to ensure the accessibility of the application process to elderly persons, people with disabilities, and people with limited English proficiency (LEP).

### **4-I.B. APPLYING FOR ASSISTANCE [HCV GB, pp. 4-11 - 4-16, Notice PIH 2009-36]**

Any family that wishes to receive HCV assistance must apply for admission to the program. HCV Applications are only available during open enrollment as designated by the Muskegon Housing Commission. This further means that any family that wishes to receive HCV assistance may only do so when the HCV waiting list is open.

HUD permits the MHC to determine the format and content of HCV applications, as well how such applications will be made available to interested families and how applications will be accepted by the MHC. The MHC must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of the MHC's application.

#### Muskegon Housing Commission Policy

Depending upon the length of time that applicants may need to wait to receive assistance, the MHC will use a two-step application process.

A two-step process (1. Initial Application/Annual Update and 2. Waiting List Selection) will be used when it is expected that a family will not be selected from the waiting list for at least 60 days from the date of application. Under the two-step application process, the MHC initially will require families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

When the waiting list is opened, families will be encouraged to apply on-line; however, the family may obtain application forms from the MHC's office during normal business hours. To provide reasonable accommodation to persons with disabilities, the information may be mailed to the applicant in an accessible format.

Completed applications must be returned to the Muskegon Housing Commission by mail, by fax, web application (when available) or submitted in person during normal business hours. Applications must be complete in order to be accepted by the MHC for processing.

### **4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS**

#### **Elderly and Disabled Populations [24 CFR 8 and HCV GB, pp. 4-11 - 4-13]**

The MHC must take steps to ensure that the application process is accessible to those

people who might have difficulty complying with the normal, standard MHC application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP). The MHC must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or the MHC must provide an alternate approach that provides full access to the application process. Chapter 2 provides a full discussion of the MHC's policies related to providing reasonable accommodations for people with disabilities.

### **Limited English Proficiency**

The MHC is required to take reasonable steps to ensure equal access to their programs and activities by persons with limited English proficiency [24 CFR 1]. Chapter 2 provides a full discussion on the MHC's policies related to ensuring access to people with limited English proficiency (LEP).

### **4-I.D. PLACEMENT ON THE WAITING LIST**

The MHC must review each complete application received and make a preliminary assessment of the family's eligibility. The MHC must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance) for the grounds stated in the regulations [24 CFR 982.206(b)(2)]. Where the family is determined to be ineligible, the MHC must notify the family in writing [24 CFR 982.201(f)]. Where the family is not determined to be ineligible, the family will be placed on a waiting list of applicants.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list [24 CFR 982.202(c)].

### **Ineligible for Placement on the Waiting List**

#### Muskegon Housing Commission Policy

If the MHC can determine from the information provided that a family is ineligible, the family will not be placed on the waiting list. Where a family is determined to be ineligible, the MHC will send written notification of the ineligibility determination within 10 business days of receiving a complete application. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so (see Chapter 16).

### **Eligible for Placement on the Waiting List**

#### Muskegon Housing Commission Policy

The MHC will send written notification of the preliminary eligibility determination within 10 business days of receiving a complete application.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list.

Applicants will be placed on the waiting list according to any preference(s) for which they qualify, and the date and time their complete application is received by the MHC.

## **PART II: MANAGING THE WAITING LIST**

### **4-II.A. OVERVIEW**

The MHC must have policies regarding various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, closing the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for assistance, as well as conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how the MHC may structure its waiting list and how families must be treated if they apply for assistance from the MHC that administers more than one assisted housing program.

### **4-II.B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204 and 205]**

The MHC's HCV waiting list must be organized in such a manner to allow the MHC to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

The waiting list must contain the following information for each applicant listed:

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference;
- Racial or ethnic designation of the head of household.

HUD requires the MHC to maintain a single waiting list for the HCV program unless it serves more than one county or municipality. Such the MHC is permitted, but not required, to maintain a separate waiting list for each county or municipality served.

#### Muskegon Housing Commission Policy

The MHC maintains a waiting list for Muskegon County only. A family may apply to more than one county's or the MHC's waiting list.

HUD directs that a family that applies for assistance from the HCV program must be offered the opportunity to be placed on the waiting list for any public housing, project-based voucher or moderate rehabilitation program the MHC operates if: 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs.

HUD permits, but does not require, that MHC maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs.

A family's decision to apply for, receive, or refuse other housing assistance must not affect the family's placement on the HCV waiting list, or any preferences for which the family may qualify.

Muskegon Housing Commission Policy

The Housing Commission will not merge the HCV waiting list with the waiting list for any other program that the Muskegon Housing Commission operates.

**4-II.C. OPENING AND CLOSING THE WAITING LIST [24 CFR 982.206]**

**Closing the Waiting List**

The MHC is permitted to close the waiting list if it has an adequate pool of families to use its available HCV assistance.

Muskegon Housing Commission Policy

The MHC may stop applications if there are enough applicants to fill anticipated openings for the next 12 months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

The MHC will announce the closing of the waiting list by public notice.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 12 months.

**Reopening the Waiting List**

If the waiting list has been closed, it cannot be reopened until the MHC publishes a notice in local newspapers of general circulation, minority media, and other suitable media outlets. The notice must comply with HUD fair housing requirements and must specify who may apply, and where and when applications will be received.

Muskegon Housing Commission Policy

The MHC will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.

The MHC will give public notice by publishing the relevant information in suitable media outlets including, but not limited to:

- Legal notice section of the primary newspaper in the county where the waiting list is to be opened;
- Notices circulated for posting at social service agencies, municipal general assistance offices, and local housing agencies
- The Muskegon Housing Commission’s webpage

**4-II.D. FAMILY OUTREACH [HCV GB, pp. 4-2 to 4-4]**

The MHC must conduct outreach as necessary to ensure that the MHC has a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.

Because HUD requires the MHC to admit a specified percentage of extremely low income families to the program (see Chapter 4, Part III), the MHC may need to conduct special outreach to ensure that an adequate number of such families apply for assistance [HCV GB, p. 4-20 to 421].

The MHC outreach efforts must comply with fair housing requirements. This includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

The MHC outreach efforts must be designed to inform qualified families about the availability of assistance under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers
- Developing informational materials and flyers to distribute to other agencies
- Providing application forms to other public and private agencies that serve the low income population
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities

#### Muskegon Housing Commission Policy

The MHC will monitor the characteristics of the population being served and the characteristics of the population as a whole in MHC's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

#### **4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES**

##### Muskegon Housing Commission Policy

While the family is on the waiting list, the family must immediately inform the MHC of changes in contact information, including current residence, mailing address, email address, and phone number. The changes must be submitted in writing.

#### **4-II.F. UPDATING THE WAITING LIST [24 CFR 982.204]**

HUD requires the MHC to establish policies to use when removing applicant names from the waiting list.

##### **Purging the Waiting List**

The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to the MHC's request for information or updates and the MHC determines that the family did not respond because of the family member's disability, the MHC must reinstate the applicant family to their former position on the waiting list [24 CFR 982.204(c)(2)].

### Muskegon Housing Commission Policy

The waiting list will be updated to ensure that all applicants and applicant information is current and timely.

To update the waiting list, the MHC will send an update request via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that the MHC has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list.

The family's response must be in writing and may be delivered in person, by mail, by fax or by email. Responses should be postmarked or received by the MHC not later than the deadline date stated on the application update.

If the family fails to respond within 10 business days, the family will be removed from the waiting list without further notice.

If the notice is returned by the post office with no forwarding address, the applicant will be removed from the waiting list without further notice.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. The family will have 10 business days to respond from the date the letter was re-sent.

If a family is removed from the waiting list for failure to respond, the MHC may reinstate the family if it is determined that the lack of response was due to the MHC's error, or to circumstances beyond the family's control.

### **Removal from the Waiting List**

#### Muskegon Housing Commission Policy

If at any time an applicant family is on the waiting list, the MHC determines that the family is not eligible for assistance (see Chapter 3); the family will be removed from the waiting list.

If a family is removed from the waiting list because the MHC has determined the family is not eligible for assistance, a notice will be sent to the family's last address on record. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding the MHC's decision (see Chapter 16) [24 CFR 982.201(f)].

## **PART III: SELECTION FOR HCV ASSISTANCE**

### **4-III.A. OVERVIEW**

As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this part.

The order in which families are selected from the waiting list depends on the selection method chosen by the MHC and is impacted in part by any selection preferences for which the family qualifies. The availability of targeted funding also may affect the order in which families are selected from the waiting list.

The MHC must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the MHC's selection policies [24 CFR 982.204(b) and 982.207(e)].

### **4-III.B. SELECTION AND HCV FUNDING SOURCES**

#### **Special Admissions [24 CFR 982.203]**

HUD may award funding for specifically-named families living in specified types of units (e.g. a family that is displaced by demolition of public housing; a non-purchasing family residing in a HOPE 1 or 2 projects). In these cases, the MHC may admit such families whether or not they are on the waiting list, and, if they are on the waiting list, without considering the family's position on the waiting list. These families are considered non-waiting list selections. The MHC must maintain records showing that such families were admitted with special program funding.

#### **Targeted Funding [24 CFR 982.204(e)]**

HUD may award the MHC funding for a specified category of families on the waiting list. The MHC must use this funding only to assist the families within the specified category. In order to assist families within a targeted funding category, the MHC may skip families that do not qualify within the targeted funding category. Within this category of families, the order in which such families are assisted is determined according to the policies provided in Section 4-III.C.

#### Muskegon Housing Commission Policy

The MHC administers the following types of targeted funding:

- Veterans Assistance Supportive Housing (VASH)

#### **Regular HCV Funding**

Regular HCV funding may be used to assist any eligible family on the waiting list. Families are selected from the waiting list according to the policies provided in Section 4-III.C.



#### **4-III.C. SELECTION METHOD**

The MHC must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the MHC will use [24 CFR 982.202(d)].

#### **Local Preferences [24 CFR 982.207; HCV p. 4-16]**

The MHC is permitted to establish local preferences, and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the MHC to establish other local preferences, at its discretion. Any local preferences established must be consistent with the MHC plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.

##### Muskegon Housing Commission Policy

It is the MHC's policy that a priority and/or preference, as well as date and time of the application, establish placement position on a waiting list.

##### Priority and Preference Admissions

#### 1. Priority

- a. The MHC will offer a priority to any family that has been terminated from the HCV program due to insufficient program funding.

#### 2. Local Preferences

The MHC gives preference to an applicant family on the waiting list if they qualify for one or more of the preference categories listed below. Preference points are cumulative and are added to the applicant family's priority points (if any) to determine an applicant family's position on the waiting list.

- a. The MHC will offer a preference for veterans.
- b. The MHC will offer a preference for Elderly Families, (Head of Household or Spouse 62 years of age and older).
- c. The MHC will offer a preference for Disabled Families (See Chapter 3).
- d. The MHC will offer a preference for families with minor children (children 17 years of age or younger) that would reside in the home while the family is on the HCV program.
- e. The MHC will offer a preference for families whose Head of Household is currently employed.
- f. The MHC will offer a preference for families who are currently attending higher education or training/trade education.
- g. The MHC will offer a preference for families who are victims of Violence against Women Reauthorization Act of 2013 (VAWA) (See Chapter 3).
- h. (Effective January 1, 2016) The MHC will offer a preference for homelessness (As defined in PIH Notice 2013-15).

The points given each preference are listed below. A family may receive points for more than one preference

<b>Local Preferences</b>	<b>Points</b>
Veteran	15
Elderly Family	15
Disabled Family	15
Family with minor children (17 years of age or younger)	15
Employment	15
Education	15
Homelessness (Effective January 1, 2016)	15
Violence against Women Reauthorization Act of 2013 (VAWA)	15

### Change in Circumstances

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the Housing Commission in writing when their circumstances change.

When an applicant claims an additional preference, s/he will be placed on the waiting list in the appropriate order determined by the newly-claimed preference. The exception to this is, if at the time the family applied, the waiting list was only open to families who claimed that preference. In such case, the applicant must verify that they were eligible for the first preference before they are returned to the waiting list with the new preference.

### **Income Targeting Requirement [24 CFR 982.201(b)(2)]**

HUD requires that extremely low-income (ELI) families make up at least 75% of the families admitted to the HCV program during the MHC's fiscal year. ELI families are those with annual incomes at or below 30% of the area median income. To ensure this requirement is met, the MHC may skip non-ELI families on the waiting list in order to select an ELI family.

Low income families admitted to the program that are "continuously assisted" under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(2)(v)].

### Muskegon Housing Commission Policy

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the MHC will reserve a minimum of 75% of its HCV new admissions for families whose income does not exceed 30 percent of the area median income. HUD refers to these families as "extremely low-income families." The MHC will admit families who qualify under the Extremely Low Income limit to meet the income targeting requirement, regardless of preference.

The MHC's income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

The MHC is also exempted from this requirement where the Housing Commission is providing assistance to low income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

If the family's verified annual income, at final eligibility determination, does not fall under the Extremely Low Income limit and the family was selected for income targeting purposes before one or more families with a higher preference, the family will be returned to the waiting list.

### **Order of Selection**

The MHC system of preferences may select families based on local preferences according to the date and time of application, or by a random selection process (lottery) [24 CFR 982.207(c)]. If MHC does not have enough funding to assist the family at the top of the waiting list, it is not permitted to skip down the waiting list to a family that it can afford to subsidize when there are not sufficient funds to subsidize the family at the top of the waiting list [24 CFR 982.204(d) and (e)].

### Muskegon Housing Commission Policy

Families will be selected from the waiting list based on their verified preference(s), original application date and time, in accordance to the most recent Waiting List Update.

When HUD awards a specific type of funding, families who qualify will be placed on the waiting list accordingly, then the waiting list is searched for the first available family meeting the targeted funding criteria.

Applicants who are admitted under targeted funding which are not identified as a Special Admission are identified by codes.

### **4-III.D. NOTIFICATION OF SELECTION**

When a family has been selected from the waiting list, the MHC must notify the family.

### Muskegon Housing Commission Policy

The MHC will notify the family by first class mail when it is selected from the waiting list. The family will be sent the following documents with a request for return:

- Date, time, and location of the scheduled briefing orientation, including any procedures for rescheduling the briefing session.
- Who is required to attend the briefing session?
- An application update for the family to complete and return.
- A list of documents that must be provided to document the legal identity of household members, including information about what constitutes acceptable documentation
- Other documents and information that should be submitted including the HUD form 9886 and other releases as required.

If a notification letter is returned to the MHC with no forwarding address, the family will be removed from the waiting list. A notice of denial (see Chapter 3) will be sent to any known alternate address.

#### **4-III.E. THE APPLICATION INTERVIEW**

HUD recommends that the MHC obtain the information and documentation needed to make an eligibility determination through a face-to-face interview with a MHC representative [HCV GB, pg. 4-16]. Being invited to attend a briefing does not constitute admission to the program.

Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if the MHC determines that an applicant family is otherwise eligible to participate in the program, the family may retain its place on the waiting list for a period of time determined by the MHC [Notice PIH 2012-10].

Reasonable accommodation must be made for persons with disabilities who are unable to attend a briefing due to their disability.

##### Muskegon Housing Commission Policy

Families selected from the waiting list are required to participate in a briefing orientation and conclude with a face-to-face interview.

The head of household and the spouse/co-head will be strongly encouraged to attend the interview together. However, either the head of household or the spouse/co-head may attend the interview on behalf of the family. Verification of information pertaining to adult members of the household not present at the interview will not begin until signed release forms are returned to the Muskegon Housing Commission.

Briefings will be conducted in groups but a face-to-face interview will conclude and be conducted by a Project Manager. The purpose of the briefing is to explain how the program works and the documents in the Voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

During the briefing orientation the family must provide the requested information to establish the family's eligibility and determine the appropriate level of assistance, as well as completing required forms, providing required signatures, and submitting required documentation. If any materials are missing, the MHC will provide the family with a written list of items that must be submitted.

Any required documents or information that the family is unable to provide at the briefing orientation must be provided within 10 business days of the written reminder. (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of eligible noncitizen status). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If a selected family does not provide the required documents and information within the required time frame (plus any extensions), the family will be sent a notice of denial (See Chapter 3).

An advocate, interpreter, or other assistant may assist the family.

Documents will be provided in English. For limited English proficient (LEP) applicants, the MHC will provide translation services in accordance with MHC's LEP plan as outlined in Chapter 2.

