CHAPTER 17

MODERATE REHABILITATION PROGRAM

17.0   INTRODUCTION

The Moderate Rehabilitation program attaches rental assistance to a particular unit rather than to a family (as with tenant-based rental assistance). The program was repealed in 1991 and no new projects are authorized for development. Assistance is limited to properties previously rehabilitated pursuant to a housing assistance payments (HAP) contract between an owner and the Housing Authority. The Moderate Rehabilitation program is not a Moving to Work (MTW) program.

17.1   UNIT VACANCIES

24 CFR 882.514 (b): "When vacancies occur, the PHA will refer to the Owner one or more appropriate size families on its waiting list."

> **Policy:**
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> The HA will refer eligible families matching the appropriate bedroom size to the owner from the top of the Moderate Rehabilitation waiting list in sufficient numbers to fill the vacancy.
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> Should the HA fail to provide sufficient eligible families to fill a vacancy within 30 days of the owner's notification to the HA of a vacancy, the owner may solicit applications from low-income families and refer such families to the HA to determine eligibility.
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> The family's placement and eligibility on any other HA waiting list will not be affected if the family is housed under the Moderate Rehabilitation program.

17.2   INITIAL ELIGIBILITY

24 CFR 882.514 (a): "Initial determination of family eligibility. (1) The PHA is responsible for receipt and review of application, and determination of family eligibility for participation in accordance with HUD regulations (see 24 CFR parts 5, 750 and 760)."

> **Policy:**
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> The owner must lease all units under contract with the Moderate Rehabilitation program to eligible families.

An eligible family must be briefed on the Moderate Rehabilitation program and must sign a 'Moderate Rehabilitation Program Statement of Family Responsibility'.

An otherwise eligible family whose monthly Housing Assistance Payments are $0, will be allowed to occupy a rehabilitated unit for the remaining period of the owner's contract with the HA, unless the family is evicted for cause or the family's size changes or the HA determines that the family must move to satisfy Housing Quality Standards (HQS) requirements.

17.3   CONTINUED ELIGIBILITY

24 CFR 882.515 (a): "Regular reexaminations. The PHA must reexamine the income and composition of all families at least once every 12 months. The PHA must adjust Tenant Rent and the Housing Assistance Payment to reflect any change in Total Tenant Payment."

24 CFR 882.516 (b): "Periodic inspection. In addition to the inspections required prior to execution of the Contract, the PHA must inspect or cause to be inspected each dwelling unit under Contract at least annually and at such other times as may be necessary to assure that the Owner is meeting the obligations to maintain the unit in decent, safe and sanitary condition and to provide the agreed upon utilities and other services."

Policy:

Moderate Rehabilitation families will follow the regular and interim reexamination and inspection policies for non-MTW families as described elsewhere in this Administrative Plan.

17.4   LEASE AND OCCUPANCY

24 CFR 882.411 (b)(1): "If an Eligible Family vacates its unit (other than as a result of action by the Owner which is in violation of the Lease or the Contract or any applicable law), the Owner may receive the housing assistance payments due under the Contract for so much of the month in which the Family vacates the unit as the unit remains vacant. Should the unit continue to remain vacant, the Owner may receive from the PHA a housing assistance payment in the amount of 80 percent of the contract Rent for a vacancy period not exceeding an additional month. However, if the Owner collects any of the Family's share of the rent for this period, the payment must be reduced to an amount which, when added to the Family's payment, does not exceed 80 percent of the Contract Rent. The Owner will not be entitled to any payment under this paragraph (b)(1) of this section unless the Owner: (i) immediately upon learning of the vacancy, has notified the PHA of the vacancy or prospective vacancy, and (ii) has taken and continues to take all feasible actions specified in paragraphs (a)(2) and (3) of this section."

Policy:

Vacancy payments (calculated based on 80% of the last Moderate Rehabilitation tenant's contract rent amount) may be made for up to 30 days for vacant Moderate Rehabilitation units provided the vacancy is not the owner's fault, the owner gave prompt notice to the HA of the vacancy, and the Owner has taken and continues to take all feasible actions to fill the vacancy.

17.5   OVER CROWDED AND UNDER OCCUPIED UNITS

24 CFR 882.509: "If the PHA determines that a Contract unit is not decent, safe, and sanitary by reason of increase in Family size, or that a Contract unit is larger than appropriate for the size of the Family in occupancy, housing assistance payments with respect to the unit will not be abated; however, the Owner must offer the Family a suitable alternative unit should one be available and the Family will be required to move. If the Owner does not have a suitable available unit, the PHA must assist the Family in locating other standard housing in the locality within the Family's ability to pay and require the Family to move to such a unit as soon as possible."

Policy:

The HA will provide continued assistance to a family residing in a Moderate Rehabilitation unit who is being forced to move through no fault of their own, such as an increase or decrease in family size, provided the family is otherwise eligible to continue receiving housing assistance. The HA will also provide continued assistance for families needing a reasonable accommodation for an accessible unit due to current unit not meeting participants' needs. Assistance will be provided in the order stated below:

- The current owner must offer the participants a suitable and appropriately sized vacant Moderate Rehabilitation unit, if such vacancies exist.

- The HA will provide a tenant-based Housing Choice Voucher, if available.