

Exhibit 2-1

Qualify as a Family

Each applicant must meet AHFC's definition of family (based on 24 CFR 5.403, 24 CFR 880.603, and HUD Handbook 4350.3).

1. Definition of Family

A family includes:

1. A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
2. A group of persons residing together. This includes:
 - a) A child who is temporarily away from home due to placement in foster care or a student temporarily away at college or boarding school.
 - b) A child who will live in the household at least 50 percent of the time per a custodial agreement.
 - c) Unborn children of pregnant women. These persons are counted when determining whether a family meets the income limit and for purposes of subsidy.
 - d) Two or more previously unrelated disabled/elderly persons who choose to live together due to financial, not familial status. This encourages those individuals who are interested in sharing or pooling their resources to do so.
 - e) Family members in the hospital or a rehabilitation facility for periods of limited or fixed duration.
 - f) Persons permanently confined to a hospital or nursing home. The family decides if such persons are included. This person may not be listed as the head, co-head, or spouse, but may be listed as "other adult family member". The income of these persons will be included when calculating family income.
 - g) A live-in aide. These persons are not considered part of the family's household when calculating income, but will count towards the subsidy standard. See Exhibit 2-8 for instructions to add a live-in aide.

For purposes of continued occupancy, the term family also includes the remaining member of a participant family with the capacity to execute a lease. See Last Remaining Family Member below.

2. Individual Member Definitions

The following definitions are derived from the HUD definitions.

2.A Adult

Any person who is:

- 18 years of age or older;
- A 16 or 17 year old minor legally emancipated or married

2.B Co-Head of Household

This is an individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.

2.C Disabled Person (Person with Disabilities)

See Chapter 3 for verification procedures. A person (24 CFR 5.403) who:

1. Has a disability, as defined in 42 U.S. Code 423.
2. Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
 - a) Is expected to be of long-continued and indefinite duration;
 - b) Substantially impedes his or her ability to live independently, and
 - c) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions.
3. Has a developmental disability as defined in 42 U.S. Code 6001.
4. Includes persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.
5. For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence.
6. Means "individual with handicaps," as defined in 24 CFR 8.3.

2.D Disabled Family

This includes:

- A single individual who meets the definition of a disabled person
- The head, spouse, or co-head of a household who meets the definition of a disabled person living with other adults or individuals who may or may not be disabled
- Two persons with disabilities living together

- One or more disabled persons living with one or more persons determined to be essential to their care or well-being

2.E Displaced Person

This is an individual who has been displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws (24 CFR 5.403).

2.F Elderly Person

This is an individual who is at least 62 years of age (24 CFR 5.100). See Chapter 3 for verification procedures.

2.G Head of Household

The adult member of the household who is designated by the family as the head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under state/local law. Emancipated minors who qualify under state law can be recognized as the head of household.

2.H Live-In Aide

A person who resides with one or more elderly, near-elderly, or disabled persons or multiple or rotating caregivers provided through state-funded agencies and resides with the family exclusively to care for the qualifying family member. See Exhibit 2-8 for documentation and verification procedures.

2.I Minor or Youth

This is an individual who is under the age of 18. See Chapter 3 for custody and pregnancy verification procedures.

2.J Near-Elderly Person

This is an individual who is at least 50 years of age, but below the age of 62 (24 CFR 5.403).

2.K Spouse

This is the husband or wife of the Head of Household who is equally responsible for the lease with the Head of Household. For proper application of the Noncitizens Rule, the definition of spouse is: the marriage partner who, in order to dissolve the relationship, would require a divorce. It includes the partner in a common law marriage, but does not apply to boyfriends, girlfriends, significant others, or co-heads.

2.L Student

Under 24 CFR 5.612, adult students may be ineligible for assistance. See Exhibit 2-7 for the Student Rule.

3. Changing Household Members

Changes to family composition must be reported, in writing, to AHFC within **ten (10) business days** of the change. Family composition changes will always be documented in AHFC's computer system. See Exhibit 4-3 for any required changes to a family's annual income as a result of changes to household members.

3.A Addition of Family Members

With the exception of members added due to birth or adoption, the addition of family members requires the pre-approval of AHFC. If the request to add a family member is denied, the family will be notified in writing and be given the opportunity to contest the decision under the S8N Multifamily Housing Program Tenant Administrative Review process. An EIV report will be pulled for the family within 120 days of the effective date for an addition of a family member.

3.A.1. Adults

Adults wishing to be added to a family must submit a complete AHFC application and meet all of AHFC's screening criteria, including the submission of required verifications and consent(s) for the release of information, before they can be added to the household.

3.A.2. Minors

Families wishing to add minors (household member under 18 years of age) to a household must provide the appropriate verification as stated in Chapter 3. Minors, 14 years of age and older, are subject to screening for a lifetime registration requirement under a state sex offender registration program.

3.B Removal of Family Members

To remove a family member, AHFC must receive verification of the family member's intent to leave or departure from the household. See Chapter 3 for the verification hierarchy.

4. Breakup of Family

AHFC will determine, on a case-by-case basis, which member of an assisted family continues to receive the rental assistance if the family breaks up. Staff will forward the facts to a supervisor or regional manager for a decision. Factors AHFC will consider in

weighing continued assistance to particular family members include, but are not limited to:

- The assistance remaining with the family who remains in the original unit.
- To whom the rental assistance was initially issued.
- The family member who has sole or primary physical custody of minor children or who has primary responsibility for the care of ill, elderly, or disabled family members.
- If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, AHFC is bound by the court's determination of which family members continue to receive assistance in the program.
- Other factors or mitigating circumstances presented to AHFC.

A decision must be in writing and sent to the family members who are breaking up. If the family disagrees with AHFC's decision, the family may request to participate in the grievance process.

See Exhibit 1-7 for VAWA Protections.

5. Last Remaining Family Member

If the head of household dies or leaves the unit permanently, the remaining family members qualify as a family if there is at least one individual (not a live-in aide) of legal age and capacity to execute the lease living in the family. Staff must conduct an interim examination to correct the family's composition.

5.A Minor Children Only

AHFC may allow an adult, who is not a current member of the family, to be a new head of household after the death or departure of the original head of household pending AHFC's screening procedure when the only family members remaining in the unit are minors. The new head of household must pass AHFC's screening criteria.

5.B Court-Appointed Guardian

In cases where the remaining family members are orphaned children, a court-appointed guardian may be considered the last remaining adult family member if that person otherwise passes the screening requirements.