

(b) *Required adjustment.* If the PHA determines that an adjustment is necessary under paragraph (a) of this section, it must establish a new schedule of utility allowances, taking into account the size and type of dwelling units and other applicable factors.

(c) *Adjustments in housing assistance payments.* The PHA must determine if adjustments to utility allowances affect the amount of housing assistance paid on behalf of the family by recalculating the minimum rent under § 887.353(a)(2).

(Information collection requirements contained in this section have been approved by the Office of Management and Budget under control number 2502-0161)

§ 887.363 Housing assistance payments equal to zero.

(a) Under the formula in § 887.353 for calculating the housing assistance payment on behalf of a family, no housing assistance payment is made whenever either 30 percent of the family’s monthly adjusted income equals or exceeds the payment standard or 10 percent of the family’s monthly income equals or exceeds the rent to owner plus any applicable utility allowance. Cessation of housing assistance payments does not affect the family’s other rights under the lease, nor does it prevent the resumption of payments as the result of later changes in family income, family size or composition, or other relevant circumstances during the term of the housing voucher contract.

(b) When one year has elapsed since the date of the last housing assistance payment made under the housing voucher contract, the contract terminates automatically.

Subpart I [Reserved]

Subpart J—Special Housing Types

§ 887.451 Purpose of this subpart.

(a) This subpart contains the additional program requirements for the following specialized types of housing: Cooperative or mutual housing; independent group residences; manufactured homes; single room occupancy; and congregate housing. (The require-

ments that are unique to shared housing, another special housing type, are set out in subpart K of this part.)

(b) Except as modified by this subpart J, all of the requirements in the other subparts of this part apply to these special housing types.

§ 887.453 Cooperative or mutual housing: Definition.

“Cooperative or mutual housing” means a type of housing authorized by State law that is owned by a corporation where ownership of a share in the corporation entitles the owner to exclusive occupancy of a unit, and participation in the operation of the project.

§ 887.455 Cooperative or mutual housing: Limitation on the use of housing voucher authority.

A PHA may use its housing voucher authority to provide assistance with respect to cooperative or mutual housing, if the following circumstances exist:

(a) The cooperative or mutual housing occupancy agreement requires that the housing units be owned-occupied, unless authorization is obtained from the board to sublet a unit;

(b) The cooperative or mutual housing occupancy agreement provides that any sale of the occupant’s interest in the unit (such as a sale of a certificate in the corporation) is controlled by a formula set out in the corporation’s by-laws or occupancy agreement. The formula must be adopted by the corporation’s board of directors and must be designed to ensure continued affordability of the cooperative or mutual housing to low-income families (as defined by HUD in part 813 of this chapter) for a period that extends at least fifteen years; and

(c) The PHA determines that providing assistance under this part will help in maintaining the affordability of this housing to low-income families.

§ 887.461 Independent group residences (IGR): Definitions.

The following additional definitions apply to independent group residences:

Independent group residence (IGR). A dwelling unit for the exclusive residential use of two to twelve elderly, handicapped, or disabled individuals (excluding any live-in resident), who are not capable of living completely independently and who require a planned program of continual supportive services. Residents of an IGR receiving Section 8 assistance must not require continual medical or nursing care, must be ambulatory or not continuously confined to a bed, and must be capable of taking appropriate actions for their own safety in an emergency.

Resident assistant. A person who lives in an independent group residence and provides on a daily basis some or all of the necessary support services to elderly, handicapped, or disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or well being. A resident assistant may not be related by blood, marriage, or operation of law to any of the individuals receiving section 8 housing assistance, and may not contribute any portion of his or her income or resources toward the expenses of these individuals.

Service agency. A public or private nonprofit organization that is recognized by the State as qualified to determine the supportive service needs of individuals who will reside in Independent Group Residences. The service agency may perform outreach to potential residents of Independent Group Residences and assist these individuals in applying for housing assistance, provide all or a portion of the supportive services and may identify and coordinate appropriate local, public or private resources to furnish these services. The service agency may own or sublease an independent group residence.

Service agreement. A written agreement, approved by the State, between the owner (including an entity with the right to sublease) of an independent group residence and the service agency or other entities providing the supportive services to the occupants of independent group residences. The agreement specifies the types and fre-

quency of the supportive services to be furnished.

[43 FR 34388, Sept. 6, 1988; 53 FR 36450, Sept. 20, 1988]

§ 887.463 Independent group residences: Selection preferences.

In addition to the preferences provided in § 887.155, a PHA may establish a preference for selecting an eligible applicant who has indicated a desire to reside in an independent group residence.

§ 887.465 Independent group residences: Additional lease requirements.

Leases for independent group residences must incorporate by reference the supportive services to be provided in accordance with the written service agreement between the owner and the service agency or other entities providing the necessary supportive services. When the owner provides the necessary supportive service, there is no service agreement and the provision of these services must be contained in the lease. The service agreement or analogous lease provisions must be approved in writing by the State before the PHA executes the housing voucher contract.

§ 887.467 Independent group residences: Housing quality standards.

The housing quality standards in § 887.251(a) apply to IGRs, except that the standards in this section apply in place of §§ 887.251 (a), (b), (c), (f), and (k).

(a) *Sanitary facilities.* The dwelling unit must contain and have ready access to a flush toilet that can be used in privacy, a fixed basin with hot and cold running water, and a shower or tub equipped with hot and cold running water all in proper operating condition and adequate for personal cleanliness and the disposal of human waste. These facilities must utilize an approvable public or private disposal system, and must be sufficient in number so that they need not be shared by more than four occupants. Those units accommodating physically handicapped occupants with wheelchairs or other special equipment must provide access to all sanitary facilities, and must provide,