

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Small PHA Plan Update
Annual Plan for Fiscal Year: 2003

**NOTE: THIS PHA PLANS TEMPLATE (HUD 50075) IS TO BE COMPLETED IN
ACCORDANCE WITH INSTRUCTIONS LOCATED IN APPLICABLE PIH NOTICES**

PHA Plan Agency Identification

PHA Name: Montgomery County Housing Authority

PHA Number: IL037

PHA Fiscal Year Beginning: (mm/yyyy) 01/2003

PHA Plan Contact Information:

Name: Margaret Barkley

Phone: 217-532-3672

TDD:

Email (if available): mchal@mcleodusa.net

Public Access to Information

Information regarding any activities outlined in this plan can be obtained by contacting:
(select all that apply)

- Main administrative office of the PHA
- PHA development a Resident Advisory Board or Boards
- Attachment __: Comments of Resident Advisory Board or Boards & Explanation of PHA Response (must be attached if not included in PHA Plan text)
- Other (List below, providing each attachment name)

ii. Executive Summary

[24 CFR Part 903.7 9 (r)]

At PHA option, provide a brief overview of the information in the Annual Plan

1. Summary of Policy or Program Changes for the Upcoming Year

In this section, briefly describe changes in policies or programs discussed in last year's PHA Plan that are not covered in other sections of this Update.

The PHA is on schedule with its FY2002 Annual Plan and it's FY 2002-2006 Five Year Plan and no program changes are proposed for the upcoming year. The Authority has added an additional year to its Five-Year Plan, FY 2007. During fiscal year 2006 the Authority proposes demolishing and replacing 16 units at IL037-005. The replacement housing will be funded by bonds/loans which will be repaid from future CFP funds over the next 20 years starting in FY2007.

2. Capital Improvement Needs

[24 CFR Part 903.7 9 (g)]

Exemptions: Section 8 only PHAs are not required to complete this component.

A. Yes No: Is the PHA eligible to participate in the CFP in the fiscal year covered by this PHA Plan?

B. What is the amount of the PHA's estimated or actual (if known) Capital Fund Program grant for the upcoming year? \$ 337,671

C. Yes No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete the rest of Component 7. If no, skip to next component.

D. Capital Fund Program Grant Submissions

(1) Capital Fund Program 5-Year Action Plan

The Capital Fund Program 5-Year Action Plan is provided as Attachment il037c01

(2) Capital Fund Program Annual Statement

The Capital Fund Program Annual Statement is provided as Attachment il037d01

3. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

Applicability: Section 8 only PHAs are not required to complete this section.

1. Yes No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If "No", skip to next component ; if "yes", complete one activity description for each development.)

2. Activity Description

Demolition/Disposition Activity Description (Not including Activities Associated with HOPE VI or Conversion Activities)
1a. Development name:
1b. Development (project) number:
2. Activity type: Demolition <input type="checkbox"/> Disposition <input type="checkbox"/>
3. Application status (select one)

Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: <u>(DD/MM/YY)</u>
5. Number of units affected:
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development
7. Relocation resources (select all that apply) <input type="checkbox"/> Section 8 for units <input type="checkbox"/> Public housing for units <input type="checkbox"/> Preference for admission to other public housing or section 8 <input type="checkbox"/> Other housing for units (describe below)
8. Timeline for activity: a. Actual or projected start date of activity: b. Actual or projected start date of relocation activities: c. Projected end date of activity:

4. Voucher Homeownership Program

[24 CFR Part 903.7 9 (k)]

A. Yes No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If “No”, skip to next component; if “yes”, describe each program using the table below (copy and complete questions for each program identified.)

B. Capacity of the PHA to Administer a Section 8 Homeownership Program

The PHA has demonstrated its capacity to administer the program by (select all that apply):

- Establishing a minimum homeowner downpayment requirement of at least 3 percent and requiring that at least 1 percent of the downpayment comes from the family’s resources
- Requiring that financing for purchase of a home under its section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards
- Demonstrating that it has or will acquire other relevant experience (list PHA experience, or any other organization to be involved and its experience, below):

5. Safety and Crime Prevention: PHDEP Plan

[24 CFR Part 903.7 (m)]

Exemptions Section 8 Only PHAs may skip to the next component PHAs eligible for PHDEP funds must provide a PHDEP Plan meeting specified requirements prior to receipt of PHDEP funds.

A. Yes No: Is the PHA eligible to participate in the PHDEP in the fiscal year covered by this PHA Plan?

B. What is the amount of the PHA's estimated or actual (if known) PHDEP grant for the upcoming year? \$ _____

C. Yes No Does the PHA plan to participate in the PHDEP in the upcoming year? If yes, answer question D. If no, skip to next component.

D. Yes No: The PHDEP Plan is attached at Attachment _____

6. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board (RAB) Recommendations and PHA Response

1. Yes No: Did the PHA receive any comments on the PHA Plan from the Resident Advisory Board/s?

2. If yes, the comments are Attached at Attachment (File name)

3. In what manner did the PHA address those comments? (select all that apply)

- The PHA changed portions of the PHA Plan in response to comments
A list of these changes is included
 Yes No: below or
 Yes No: at the end of the RAB Comments in Attachment _____.
- Considered comments, but determined that no changes to the PHA Plan were necessary. An explanation of the PHA's consideration is included at the at the end of the RAB Comments in Attachment _____.
- Other: (list below)

B. Statement of Consistency with the Consolidated Plan

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary).

1. Consolidated Plan jurisdiction: (State of Illinois)

2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)

- The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.

- The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- Activities to be undertaken by the PHA in the coming year are consistent with specific initiatives contained in the Consolidated Plan. (list such initiatives below)
- Other: (list below)
Modernize current housing inventory

3. PHA Requests for support from the Consolidated Plan Agency

- Yes No: Does the PHA request financial or other support from the State or local government agency in order to meet the needs of its public housing residents or inventory? If yes, please list the 5 most important requests below:
Currently completing a 20 unit tax credit project funded in part by the State.

4. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

C. Criteria for Substantial Deviation and Significant Amendments

1. Amendment and Deviation Definitions

24 CFR Part 903.7(r)

PHAs are required to define and adopt their own standards of substantial deviation from the 5-year Plan and Significant Amendment to the Annual Plan. The definition of significant amendment is important because it defines when the PHA will subject a change to the policies or activities described in the Annual Plan to full public hearing and HUD review before implementation.

A. Substantial Deviation from the 5-year Plan:

GOALS

- Additions or deletions of Strategic Goals

B. Significant Amendment or Modification to the Annual Plan:

PROGRAMS

- Any change with regard to demolition or disposition, designation of housing, homeownership programs or conversion activities

CAPITAL BUDGET

- Additions of non-emergency work items in excess of \$25,000 (items not included in the current Annual Statement or Five Year Action Plan) or change in excess of \$25,000 in use of replacement reserve funds

POLICIES

- Changes to rent or admissions policies or organization of the waiting list

An exception to the above definition will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements since such changes are not considered significant amendments by HUD.

Attachment il037a01
Supporting Documents Available for Review

PHAs are to indicate which documents are available for public review by placing a mark in the “Applicable & On Display” column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
X	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan (not required for this update)	5 Year and Annual Plans
	Fair Housing Documentation Supporting Fair Housing Certifications: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions’ initiatives to affirmatively further fair housing that require the PHA’s involvement.	5 Year and Annual Plans
X	Housing Needs Statement of the Consolidated Plan for the jurisdiction/s in which the PHA is located and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Any policy governing occupancy of Police Officers in Public Housing <input checked="" type="checkbox"/> check here if included in the public housing A&O Policy	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the method for setting public housing flat rents <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination

List of Supporting Documents Available for Review

Applicable & On Display	Supporting Document	Related Plan Component
X	Schedule of flat rents offered at each public housing development <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
X	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
X	Results of latest binding Public Housing Assessment System (PHAS) Assessment	Annual Plan: Management and Operations
N/A	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-Sufficiency
X	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
N/A	Any required policies governing any Section 8 special housing types <input type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
X	Public housing grievance procedures <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
X	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for any active grant year	Annual Plan: Capital Needs
N/A	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants	Annual Plan: Capital Needs
N/A	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing	Annual Plan: Capital Needs
X	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing §504 of the Rehabilitation Act and the Americans with Disabilities Act. See, PIH 99-52 (HA).	Annual Plan: Capital Needs
N/A	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
N/A	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing

List of Supporting Documents Available for Review

Applicable & On Display	Supporting Document	Related Plan Component
N/A	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937	Annual Plan: Conversion of Public Housing
N/A	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
N/A	Policies governing any Section 8 Homeownership program (section _____ of the Section 8 Administrative Plan)	Annual Plan: Homeownership
X	Cooperation agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies	Annual Plan: Community Service & Self-Sufficiency
N/A	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
X	Section 3 documentation required by 24 CFR Part 135, Subpart E	Annual Plan: Community Service & Self-Sufficiency
N/A	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
N/A	The most recent Public Housing Drug Elimination Program (PHDEP) semi-annual performance report	Annual Plan: Safety and Crime Prevention
N/A	PHDEP-related documentation: <ul style="list-style-type: none"> · Baseline law enforcement services for public housing developments assisted under the PHDEP plan; · Consortium agreement/s between the PHAs participating in the consortium and a copy of the payment agreement between the consortium and HUD (applicable only to PHAs participating in a consortium as specified under 24 CFR 761.15); · Partnership agreements (indicating specific leveraged support) with agencies/organizations providing funding, services or other in-kind resources for PHDEP-funded activities; · Coordination with other law enforcement efforts; · Written agreement(s) with local law enforcement agencies (receiving any PHDEP funds); and · All crime statistics and other relevant data (including Part I and specified Part II crimes) that establish need for the public housing sites assisted under the PHDEP Plan. 	Annual Plan: Safety and Crime Prevention
X	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G) <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Pet Policy

List of Supporting Documents Available for Review

Applicable & On Display	Supporting Document	Related Plan Component
X	The results of the most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit
N/A	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
N/A	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)

**Annual Statement/Performance and Evaluation Report Attachment il037b01
 Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary**

PHA Name: Montgomery County Housing Authority		Grant Type and Number Capital Fund Program: IL06P03750103 Capital Fund Program Replacement Housing Factor Grant No:		Federal FY of Grant: 2003	
<input checked="" type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/ Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Final Performance and Evaluation Report			
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
23	Amount of line 20 Related to Security				
24	Amount of line 20 Related to Energy Conservation Measures				

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: Montgomery County Housing Authority		Grant Type and Number Capital Fund Program #: IL06P03750103 Capital Fund Program Replacement Housing Factor #:			Federal FY of Grant: 2003			
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
HA-Wide	Operations – REAC work items and vacancy prep	1406	35000					
HA-Wide	Update Policies	1408	5000					
	Utility Allowance Update (LIPH & S8)	1408	2500					
	Agency Plan Update	1408	5000					
	Computer Hardware & Software Upgrades	1408	5000					
	Resident Initiatives	1408	5000					
	Staff Training	1408	5000					
	Commissioner Training	1408	5000					
HA-Wide	CFP Coordinator	1410	33700					
HA-Wide	A/E Fees	1430	14000					

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: Montgomery County Housing Authority		Grant Type and Number Capital Fund Program #: IL06P03750103 Capital Fund Program Replacement Housing Factor #:			Federal FY of Grant: 2003			
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
IL037-011	Update exteriors & HVAC systems for Eleven (11) units @ \$15,500/unit. Note: work for each unit includes: <ul style="list-style-type: none"> ③ Vinyl fascia, soffit, siding (\$2,500/unit) ③ Gutters, downspouts, splash blocks (\$1,500/unit) ③ Exterior doors, storm doors (frames & hardware) (\$2,000/unit) ③ Windows, security screens (frames & hardware) (\$3,500/unit) ③ HVAC system (\$4,500/unit) ③ Remove/patch planter, privacy wall and trash receptacle. (\$1,500/unit) 	1460	170500					
IL37-12	Demolition Loan Repayment	1485	50000					
HA-Wide	Contingency	1502	1971					

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part III: Implementation Schedule

PHA Name: Montgomery County Housing Authority		Grant Type and Number Capital Fund Program #: IL06P03750103 Capital Fund Program Replacement Housing Factor #:					Federal FY of Grant: 2003
Development Number Name/HA-Wide Activities	All Fund Obligated (Quart Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
HA-Wide	03/30/2005			09/30/2006			
IL037-011	03/30/2005			09/30/2006			
IL037-012	03/30/2005			09/30/2006			

Attachment il037c01

Capital Fund Program Five-Year Action Plan

Part I: Summary

PHA Name Montgomery County Housing Authority					<input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revision No:	
Development Number/Name/HA-Wide	Year 1	Work Statement for Year 2 FFY Grant: 2004 PHA FY: 2005	Work Statement for Year 3 FFY Grant: 2005 PHA FY: 2006	Work Statement for Year 4 FFY Grant: 2006 PHA FY: 2007	Work Statement for Year 5 FFY Grant: 2007 PHA FY: 2008	
HA-Wide	Annual Statement	116671	120671	117671	157671	
IL037-05		155000	124000	96000	180000	
IL037-06			93000	124000		
IL037-012		66000				
Total CFP Funds (Est.)		337671	337671	337671	337671	
Total Replacement Housing Factor Funds						

Capital Fund Program Five-Year Action Plan
Part II: Supporting Pages—Work Activities

Activities for Year 1	Activities for Year : <u> 2 </u> FFY Grant: 2004 PHA FY: 2005			Activities for Year: <u> 3 </u> FFY Grant: 2005 PHA FY: 2006		
	IL037-012			IL037-005		
	④ Demolition – Loan Repayment		66000	④ Update exteriors and new HVAC systems	8	124000
	IL037-005			IL037-006		
	④ Update exteriors and new HVAC systems	10	155000	Update exteriors and new HVAC systems	6	93000
	HA-Wide			HA-Wide		
	④ Operations		39471	④ Operations		39471
	④ Management Improvements		28500	④ Management Improvements		28500
	④ Administration		33700	④ Administration		33700
	④ Fees and Costs		14000	④ Fees and Costs		14000
	④ Contingency		1000	④ Contingency		5000

Part II: Supporting Pages—Work Activities

Activities for Year 1	Activities for Year :_4_ __ FFY Grant: 2006 PHA FY: 2007			Activities for Year: _5_ __ FFY Grant: 2007 PHA FY: 2008		
	IL037-005			IL037-005		
	Demolition of 16 units at \$6,000/unit	16	96000	Repay new Construction Loan 16 units @\$1,800,000	16	120000
	IL037-006			IL037-005		
	<p>Update exteriors & HVAC systems for 8) units @ 15,500/unit Note: work for each unit includes:</p> <ul style="list-style-type: none"> ③ Vinyl fascia, soffit, siding (2500/unit) ③ Gutters, downspouts, splash blocks (1500/unit) ③ Exterior doors, storm doors (frames & hardware) (2000/unit) <p>Windows, security screens (frames & hardware) (3500/unit) HVAC system (4500/unit)</p> <ul style="list-style-type: none"> ③ Remove/Patch planter, privacy wall and trash receptacle (1500/unit)Exterior doors and storm doors 	8	124000	<p>Update interiors @ \$30,000/unit Note: Work for each unit contains: Kitchens @ \$5500/unit Baths @ 4750/unit Floors @ 1750/unit Paint @ 1000/unit Interior doors @ 2500/unit Rewiring @ 4750/unit Plumbing @ 4750/unit Termite repair and treatment @ 5000/unit</p>	2	60000
	HA-Wide			HA-Wide		

	④ Operations		33471	④ Operations		40000
	④ Management Improvements		28500	④ Management Improvements		28500
	④ Administration		33700	④ Administration		33700
	④ Fees and Costs		17000	④ Fees and Costs		50000
	④ Contingency		5000	④ Contingency		5471

Required Attachment __il037d01__: Resident Member on the PHA Governing Board

1. Yes No: Does the PHA governing board include at least one member who is directly assisted by the PHA this year? (if no, skip to #2)

A. Name of resident member(s) on the governing board: Commissioner Dorothy Austin

B. How was the resident board member selected: (select one)?

- Elected
- Appointed

C. The term of appointment is (include the date term expires): 5-year term expires 6/29/07

2. A. If the PHA governing board does not have at least one member who is directly assisted by the PHA, why not?

- the PHA is located in a State that requires the members of a governing board to be salaried and serve on a full time basis
- the PHA has less than 300 public housing units, has provided reasonable notice to the resident advisory board of the opportunity to serve on the governing board, and has not been notified by any resident of their interest to participate in the Board.
- Other (explain):

B. Date of next term expiration of a governing board member: 6/29/03

C. Name and title of appointing official(s) for governing board (indicate appointing official for the next position): Michael Havera, Montgomery County Board Chairman

Required Attachment __il037e01____: Membership of the Resident Advisory Board or Boards

List members of the Resident Advisory Board or Boards: (If the list would be unreasonably long, list organizations represented or otherwise provide a description sufficient to identify how members are chosen.) Members were chosen per the Resident Advisory Board Administrative Plan.

Kelley Walker, President, Hillsboro, Illinois
Dorothy Austin, Vice-President, Hillsboro, Illinois
Samuel Thomas, Secretary, Coffeen, Illinois
Manuel Guttierrez, Taylor Springs, Illinois
Nora Law, Litchfield, Illinois
Debra Sunell, Witt, Illinois
Cheryl Hilt, Section 8, Witt, Illinois
Fred Scott, Raymond, Illinois

Performance and Evaluation Report
Comprehensive Grant Program (CGP) Part 1 Summary

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing

OMB APPROVAL No. 2577-0:
 (exp. 3/31/2002)

HA NAME MONTGOMERY COUNTY HOUSING AUTHORITY	Comprehensive Grant Number IL06PO3750100	FFY of Grant Approval 2000
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Original Annual Statement Reserve for Disaster/Emergencies Revised Annual Statement/Revision Number 1 Performance and Evaluation Report for Program Year Ending 02
 Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost		Obligated	Total Actual Cost (Expended)
		Original	Revised (1)		
1	Total Non-CGP Funds	\$0.00	\$0.00		
2	1406 Operations	\$0.00	\$0.00		
3	1408 Management Improvements	\$5,000.00	\$25,000.00	\$25,000.00	\$20,000.00
4	1410 Administration	\$35,000.00	\$35,000.00	\$35,000.00	\$33,448.80
5	1411 Audit	\$0.00	\$0.00	\$0.00	\$0.00
6	1415 Liquidated Damages	\$0.00	\$0.00	\$0.00	\$0.00
7	1430 Fees and Costs	\$39,317.00	\$39,317.00	\$39,317.00	\$9,576.80
8	1440 Site Acquisition	\$0.00	\$0.00	\$0.00	\$0.00
9	1450 Site Improvement	\$0.00	\$0.00	\$0.00	\$0.00
10	1460 Dwelling Structures	\$268,864.00	\$229,500.00	\$229,500.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$0.00	\$0.00	\$0.00	\$0.00
12	1470 Nondwelling Structures	\$0.00	\$0.00	\$0.00	\$0.00
13	1475 Nondwelling Equipment	\$0.00	\$0.00	\$0.00	\$0.00
14	1485 Demolition	\$0.00	\$0.00	\$0.00	\$0.00
15	1490 Replacement Reserve	\$0.00	\$0.00	\$0.00	\$0.00
16	1495.1 Relocation Costs	\$0.00	\$0.00	\$0.00	\$0.00
17	1498 Mod Used for Development	\$0.00	\$0.00	\$0.00	\$0.00
18	1502 Contingency (may not exceed 8% of line 19)	\$0.00	\$19,364.00	\$19,364.00	\$0.00
19	Amount of Annual Grant (Sum of lines 2-18)	\$348,181.00	\$348,181.00	\$348,181.00	\$63,025.60
20	Amount of line 19 Related to LBP Activities	\$0.00	\$0.00	\$0.00	\$0.00
21	Amount of line 19 Related to Section 504 Compliance	\$0.00	\$0.00	\$0.00	\$0.00
22	Amount of line 19 Related to Security	\$0.00	\$0.00	\$0.00	\$0.00
23	Amount of line 19 Related to Conservation Measures	\$268,864.00	\$229,500.00	\$229,500.00	\$0.00

(1) To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

(2) To be completed for the Performance and Evaluation Report

Signature of Executive Director

Date (mm/dd/yyyy)

Signature of Public Housing Director/Office American Programs Administrator

Date (mm/dd/yyyy)

Annual Statement / Performance and Evaluation Report
Part II : Supporting Pages
Comprehensive Grant Program (CGP)

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB APPROVAL No. 2577-0157
(exp. 3/31/2002)

Development Number/Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Costs		Funds Obligated	Status of Proposed Funds Expended (2)
				Original	Revised (1)		
PHA Wide Management Improvements	Resident Initiatives /HTN	1408		\$ 5,000.00	\$5,000.00	\$5,000.00	\$0.00
	Computer Software Upgrade/Training			\$ -	\$20,000.00	\$20,000.00	\$20,000.00
	Subtotal			\$ 5,000.00	\$25,000.00	\$25,000.00	\$20,000.00
PHA Wide	ADMINISTRATION-MOD COORD	1410		\$ 35,000.00	\$35,000.00	\$35,000.00	\$33,448.80
	Subtotal			\$ 35,000.00	\$35,000.00	\$35,000.00	\$33,448.80
Fees and Cost	A/E Fees	1430		\$ 28,317.00	\$28,317.00	\$28,317.00	\$9,576.80
	CFP Update			\$ 5,000.00	\$5,000.00	\$5,000.00	0.00
	CFP Grant Management			\$ 6,000.00	\$6,000.00	\$6,000.00	\$0.00
	Subtotal			\$ 39,317.00	\$39,317.00	\$39,317.00	\$9,576.80

(1) To be completed for the Performance and Evaluation Report or a Revised Annual Statement. (2) To be completed for the Performance and Evaluation Report

Signature of Executive Director and Date | Signature of Public Housing Director/Office American Programs Administrator | Date (mm/dd/yyyy)

Annual Statement / Performance and Evaluation Report
Part II : Supporting Pages
Comprehensive Grant Program (CGP)

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

ref Handbook7485.3
OMB APPROVAL No. 2577-0157
(exp. 3/31/2002)

Development Number/Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Costs		Funds Obligated	Funds Expended (2)
				Original	Revised (1)		
IL37-09	Update Exteriors & HVAC Systems	1460		\$ 268,864.00	\$229,500.00	\$229,500.00	\$0.00
	Subtotal			\$ 268,864.00	\$229,500.00	\$229,500.00	\$0.00
HA-Wide	Contingency	1502		\$ -	\$19,364.00	\$19,364.00	\$0.00
	Subtotal			\$ -	\$19,364.00	\$19,364.00	\$0.00
	Total			\$ 348,181.00	\$348,181.00	#####	\$ 63,025.60

(1) To be completed for the Performance and Evaluation Report or a Revised Annual Statement. (2) To be completed for the Performance and Evaluation Report

Signature of Executive Director and Date | Signature of Public Housing Director/Office American Programs Administrator | Date (mm/dd/yyyy)

Annual Statement / Performance and Evaluation Report
Part III : Implementation Schedule
Comprehensive Grant Program (CGP)

U.S. Department of Housing
 and Urban Development
 Office of Public and Indian Housing

Development Number/Name HA - Wide Activities	All Funds Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reason for Revised Target Date (2)
	Original	Revised (1)	Actual (2)	Original	Revised (1)	Actual (2)	
IL37-7,8 &9	3/31/2002		12/31/2001	9/30/2003			
1408	3/31/2002		9/30/2001	9/30/2003			
1410	3/31/2002		9/30/2001	9/30/2003			
1430	3/31/2002		9/30/2001	9/30/2003			
1502	3/31/2002		12/31/2001	9/30/2003			

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Signature of Executive Director and Date

Signature of Public Housing Director/Office American Programs Administrator (mm/dd/yyyy)

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Performance and Evaluation Report
Comprehensive Grant Program (CGP) Part 1 Summary

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing

OMB APPROVAL No. 2577-0:
 (exp. 3/31/2002)

HA NAME MONTGOMERY COUNTY HOUSING AUTHORITY	Comprehensive Grant Number IL06PO3750101	FFY of Grant Approval 2001
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Original Annual Statement Reserve for Disaster/Emergencies Revised Annual Statement/Revision Number 1 Performance and Evaluation Report for Program Year Ending 02
 Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost		Obligated	Total Actual Cost (Expended)
		Original	Revised (1)		
1	Total Non-CGP Funds	\$0.00	\$0.00		
2	1406 Operations	\$20,000.00	\$8,300.00	\$0.00	\$0.00
3	1408 Management Improvements	\$34,800.00	\$28,000.00	\$9,500.00	\$0.00
4	1410 Administration	\$34,800.00	\$34,800.00	\$34,800.00	\$0.00
5	1411 Audit	\$0.00	\$0.00	\$0.00	\$0.00
6	1415 Liquidated Damages	\$0.00	\$0.00	\$0.00	\$0.00
7	1430 Fees and Costs	\$14,700.00	\$14,700.00	\$0.00	\$0.00
8	1440 Site Acquisition	\$0.00	\$0.00	\$0.00	\$0.00
9	1450 Site Improvement	\$0.00	\$0.00	\$0.00	\$0.00
10	1460 Dwelling Structures	\$210,000.00	\$231,000.00	\$231,000.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$0.00	\$0.00	\$0.00	\$0.00
12	1470 Nondwelling Structures	\$0.00	\$0.00	\$0.00	\$0.00
13	1475 Nondwelling Equipment	\$28,200.00	\$28,200.00	\$28,200.00	\$25,900.00
14	1485 Demolition	\$0.00	\$0.00	\$0.00	\$0.00
15	1490 Replacement Reserve	\$0.00	\$0.00	\$0.00	\$0.00
16	1495.1 Relocation Costs	\$0.00	\$0.00	\$0.00	\$0.00
17	1498 Mod Used for Development	\$0.00	\$0.00	\$0.00	\$0.00
18	1502 Contingency (may not exceed 8% of line 19)	\$12,804.00	\$10,304.00	\$4,136.00	\$0.00
19	Amount of Annual Grant (Sum of lines 2-18)	\$355,304.00	\$355,304.00	\$307,636.00	\$25,900.00
20	Amount of line 19 Related to LBP Activities	\$0.00	\$0.00	\$0.00	\$0.00
21	Amount of line 19 Related to Section 504 Compliance	\$0.00	\$0.00	\$0.00	\$0.00
22	Amount of line 19 Related to Security	\$0.00	\$0.00	\$0.00	\$0.00
23	Amount of line 19 Related to Conservation Measures	\$210,000.00	\$231,000.00	\$231,000.00	\$0.00

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Signature of Executive Director

Date (mm/dd/yyyy)

Signature of Public Housing Director/Office American Programs Administrator

Date (mm/dd/yyyy)

Annual Statement / Performance and Evaluation Report
Part II : Supporting Pages
Comprehensive Grant Program (CGP)

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB APPROVAL No. 2577-0157
(exp. 3/31/2002)

Development Number/Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Costs		Funds Obligated	Status of Proposed Funds Expended (2)
				Original	Revised (1)		
	Operations-REAC work items	1406		\$ 8,300.00	\$8,300.00	\$0.00	0.00
PHA Wide Management Improvements	Subtotal			\$ 8,300.00	\$ 8,300.00	\$0.00	\$0.00
	Resident Initiatives /HTN	1408		\$ 5,000.00	\$5,000.00	\$0.00	\$0.00
	Commissioner/staff Training			\$ 11,000.00	\$11,000.00	\$0.00	\$0.00
	Salary Study			\$ 4,500.00	\$4,500.00	\$4,500.00	\$0.00
	Agency Plan Update			\$ 5,000.00	\$5,000.00	\$5,000.00	\$0.00
	Utility Allowances update			\$ 2,500.00	\$2,500	\$0.00	\$0.00
	Subtotal			\$ 28,000.00	\$28,000.00	\$9,500.00	\$0.00
PHA Wide	ADMINISTRATION-MOD COORD	1410		\$ 34,800.00	\$34,800.00	\$34,800.00	\$0.00
	Subtotal			\$ 34,800.00	\$34,800.00	\$34,800.00	\$0.00
Fees and Cost	A/E Fees	1430		\$ 14,700.00	\$14,700.00	\$0.00	\$0.00
	Subtotal			\$ 14,700.00	\$14,700.00	\$0.00	\$0.00

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Signature of Public Housing Director/Office American Programs Administrator Date (mm/dd/yyyy)

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U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

ref Handbook7485.3
OMB APPROVAL No. 2577-0157
(exp. 3/31/2002)

Development Number/Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Costs		Funds Obligated	Funds Expended (2)
				Original	Revised (1)		
IL37-08	Update Exteriors & HVAC Systems	1460		\$ 91,500.00	\$91,500.00	\$91,500.00	\$0.00
IL37-07	Update Exteriors & HVAC Systems			\$ 139,500.00	\$139,500.00	\$139,500.00	\$0.00
	Subtotal			\$ 231,000.00	\$231,000.00	\$231,000.00	\$0.00
HA-Wide	Maintenance Vehicle & Tools	1475		\$ 28,200.00	\$28,200.00	\$28,200.00	\$25,900.00
	Subtotal			\$ 28,200.00	\$28,200.00	\$28,200.00	\$0.00
HA-Wide	Contingency	1502		\$ 10,304.00	\$10,304.00	\$4,136.00	\$0.00
	Subtotal			\$ 10,304.00	\$10,304.00	\$4,136.00	\$0.00
	Total			\$ 355,304.00	\$355,304.00	#####	\$25,900.00

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Signature of Executive Director and Date

Signature of Public Housing Director/Office American Programs Administrator Date (mm/dd/yyyy)

Annual Statement / Performance and Evaluation Report
Part III : Implementation Schedule
Comprehensive Grant Program (CGP)

U.S. Department of Housing
 and Urban Development
 Office of Public and Indian Housing

Development Number/Name HA - Wide Activities	All Funds Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reason for Revised Target Date (2)
	Original	Revised (1)	Actual (2)	Original	Revised (1)	Actual (2)	
IL37-7& 8	3/31/2003			9/30/2004			
1406	3/31/2003			9/30/2004			
1408	3/31/2003			9/30/2004			
1410	3/31/2003			9/30/2004			
1430	3/31/2003			9/30/2004			
1475	3/31/2003		3/31/2002	9/30/2004			
1502	3/31/2003			9/30/2004			

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Performance and Evaluation Report
Comprehensive Grant Program (CGP) Part 1 Summary

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing

OMB APPROVAL No. 2577-0:
 (exp. 3/31/2002)

HA NAME MONTGOMERY COUNTY HOUSING AUTHORITY	Comprehensive Grant Number IL06PO3750102	FFY of Grant Approval 2002
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Original Annual Statement Reserve for Disaster/Emergencies Revised Annual Statement/Revision Number Performance and Evaluation Report for Program Year Ending 02
 Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost		Obligated	Total Actual Cost (Expended)
		Original	Revised (1)		
1	Total Non-CGP Funds	\$0.00	\$0.00		
2	1406 Operations	\$10,000.00	\$0.00	\$0.00	\$0.00
3	1408 Management Improvements	\$28,500.00	\$0.00	\$0.00	\$0.00
4	1410 Administration	\$34,800.00	\$0.00	\$0.00	\$0.00
5	1411 Audit	\$0.00	\$0.00	\$0.00	\$0.00
6	1415 Liquidated Damages	\$0.00	\$0.00	\$0.00	\$0.00
7	1430 Fees and Costs	\$14,000.00	\$0.00	\$0.00	\$0.00
8	1440 Site Acquisition	\$0.00	\$0.00	\$0.00	\$0.00
9	1450 Site Improvement	\$0.00	\$0.00	\$0.00	\$0.00
10	1460 Dwelling Structures	\$182,000.00	\$0.00	\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$0.00	\$0.00	\$0.00	\$0.00
12	1470 Nondwelling Structures	\$0.00	\$0.00	\$0.00	\$0.00
13	1475 Nondwelling Equipment	\$0.00	\$0.00	\$0.00	\$0.00
14	1485 Demolition	\$60,500.00	\$0.00	\$0.00	\$0.00
15	1490 Replacement Reserve	\$0.00	\$0.00	\$0.00	\$0.00
16	1495.1 Relocation Costs	\$0.00	\$0.00	\$0.00	\$0.00
17	1498 Mod Used for Development	\$0.00	\$0.00	\$0.00	\$0.00
18	1502 Contingency (may not exceed 8% of line 19)	\$25,504.00	\$0.00	\$0.00	\$0.00
19	Amount of Annual Grant (Sum of lines 2-18)	\$355,304.00	\$0.00	\$0.00	\$0.00
20	Amount of line 19 Related to LBP Activities	\$0.00	\$0.00	\$0.00	\$0.00
21	Amount of line 19 Related to Section 504 Compliance	\$0.00	\$0.00	\$0.00	\$0.00
22	Amount of line 19 Related to Security	\$0.00	\$0.00	\$0.00	\$0.00
23	Amount of line 19 Related to Conservation Measures	\$210,000.00	\$231,000.00	\$231,000.00	\$0.00

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Date (mm/dd/yyyy)

Signature of Public Housing Director/Office American Programs Administrator

Date (mm/dd/yyyy)

Annual Statement / Performance and Evaluation Report
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U.S. Department of Housing
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Office of Public and Indian Housing

OMB APPROVAL No. 2577-0157
(exp. 3/31/2002)

Development Number/Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Costs		Funds Obligated	Status of Proposed Funds Expended (2)
				Original	Revised (1)		
	Operations-REAC work items	1406		\$ 10,000.00	\$0.00	\$0.00	0.00
PHA Wide Management Improvements	Subtotal			\$ 10,000.00	\$0.00	\$0.00	\$0.00
	Resident Initiatives /HTN	1408		\$ 5,000.00	\$0.00	\$0.00	\$0.00
	Commissioner/staff Training			\$ 11,000.00	\$0.00	\$0.00	\$0.00
	Utility Allowances update			\$ 2,500.00	\$0.00	\$0.00	\$0.00
	Agency Plan Update			\$ 5,000.00	\$0.00	\$0.00	\$0.00
	Computer software upgrade			\$ 5,000.00	\$0	\$0.00	\$0.00
	Subtotal			\$ 28,500.00	\$0.00	\$0.00	\$0.00
PHA Wide	ADMINISTRATION-MOD COORD	1410		\$ 34,800.00	\$0.00	\$0.00	\$0.00
	Subtotal			\$ 34,800.00	\$0.00	\$0.00	\$0.00
Fees and Cost	A/E Fees	1430		\$ 14,000.00	\$0.00	\$0.00	\$0.00
	Subtotal			\$ 14,000.00	\$14,000.00	\$0.00	\$0.00

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ref Handbook7485.3
OMB APPROVAL No. 2577-0157
(exp. 3/31/2002)

Development Number/Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Costs		Funds Obligated	Funds Expended (2)
				Original	Revised (1)		
IL037-010	Update Exteriors & HVAC Systems 13 units @ \$14,000/unit	1460	13	\$ 182,000.00	\$0.00	\$0.00	\$0.00
	Subtotal			\$ 182,000.00	\$0.00	\$0.00	\$0.00
IL037-012	Demolition	1485		\$ 60,500.00	\$0.00	\$0.00	\$0.00
	Subtotal			\$ 60,500.00	\$0.00	\$0.00	\$0.00
HA-Wide	Contingency	1502		\$ 25,504.00	\$0.00	\$0.00	\$0.00
	Subtotal			\$ 25,504.00	\$0.00	\$0.00	\$0.00
	Total			\$ 355,304.00	\$355,304.00	#####	\$0.00

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Signature of Executive Director and Date

Signature of Public Housing Director/Office American Programs Administrator Date (mm/dd/yyyy)

Annual Statement / Performance and Evaluation Report
Part III : Implementation Schedule
Comprehensive Grant Program (CGP)

U.S. Department of Housing
 and Urban Development
 Office of Public and Indian Housing

Development Number/Name HA - Wide Activities	All Funds Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reason for Revised Target Date (2)
	Original	Revised (1)	Actual (2)	Original	Revised (1)	Actual (2)	
IL37-010	3/30/2004			9/30/2005			
IL37-012	3/30/2004			9/30/2005			
HA-Wide	3/30/2004			9/30/2005			

(1) To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

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Deconcentration and Income Mixing

IL037i01

Montgomery County Housing Authority
216 Shelbyville Road
P.O. Box 591
Hillsboro, IL 62049
217-532-3672 Fax 217-532-3625

CERTIFICATION OF DECONCENTRATION AND INCOME MIXING

June 4, 2002

The Montgomery County Housing Authority hereby certifies:

- That the following developments are general occupancy developments covered by the deconcentration rule:

**IL037-02
IL037-03**

- That the two covered developments do not have average incomes below 85% or above 115% of the average incomes of both covered developments.

Margaret (Peg) Barkley, Executive Director

Date

Deconcentration and Income Mixing

(6) Deconcentration and Income Mixing

- a. Yes No: Does the PHA have any general occupancy (family) public housing developments covered by the deconcentration rule? If no, this section is complete. If yes, continue to the next question.
- b. Yes No: Do any of these covered developments have average incomes above or below 85% to 115% of the average incomes of all such developments? If no, this section is complete.

If yes, list these developments as follows:

Deconcentration Policy for Covered Developments			
Development Name:	Number of Units	Explanation (if any) [see step 4 at §903.2(c)(1)(iv)]	Deconcentration policy (if no explanation) [see step 5 at §903.2(c)(1)(v)]

Analysis:

Development	Avg Rent
II037-02	\$48.00
II037-03	\$49.00
HA Avg	\$48.79
85% HA Avg	\$41.47
115% HA Avg	\$54.40

Deconcentration and Income Mixing

MONTGOMERY COUNTY HOUSING AUTHORITY DECONCENTRATION POLICY

In an ongoing effort for the Housing Authority to meet or exceed the laws and regulations regarding its public housing and Section 8 programs, the following Deconcentration Policy has been developed in order to comply with the Quality Housing and Work Responsibility Act of 1998, Section 513.

PUBLIC HOUSING:

INCOME MIX TARGETING: To meet the requirements of the Act and subsequent HUD regulations, at least 40 percent of families admitted to public housing by the Housing Authority must have incomes that do not exceed 30% of the area median. If 40% or more of the Housing Authority units are occupied by families whose incomes do not exceed 30% of the area median income, this requirement shall be considered as being met.

Additionally, to meet this goal, the Housing Authority may use the provisions of fungibility to the extent that the Housing Authority has provided more than seventy-five percent of newly available vouchers and certificates in its Section 8 program, including those resulting from turnover to very poor families. The number of fungible housing credits used to drop the annual requirement for housing very poor families below 40 percent of the newly available units in public housing is limited to the lowest of the following:

1. The number of units equivalent to ten (10) percent of the number of newly available vouchers and certificates in that fiscal year; or,
2. The number of public housing units that (i) are in public housing projects located in census tracts having a poverty rate of 30% or more, and (ii) are made available for occupancy by, and actually occupied in that year by, families other than very poor families, or
3. The number of units that cause the Housing Authority's overall requirement for housing very poor families to drop to 30% of its newly available units.

PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES: The Housing Authority will not, in meeting this income mix targeting, concentrate very low-income families, or other families with relatively low incomes, in public housing units in certain projects or certain buildings. The Housing Authority will review the income and occupancy characteristics of the housing projects and the buildings of each project to ensure that a low-income concentration does not occur.

Deconcentration and Income Mixing

DECONCENTRATION: The Housing Authority will make every effort to deconcentrate families of certain income characteristics within the PHA complexes. To achieve this, the Housing Authority will offer incentives for eligible families having higher incomes to occupy dwelling units in projects predominantly occupied by eligible families having lower incomes, and provide for occupancy of eligible families having lower incomes in project predominantly occupied by eligible families having higher incomes. Incentives by the Housing Authority allow for the eligible family to have the sole discretion in determining whether to accept the incentive and the Housing Authority will not take any adverse action toward any eligible family for choosing not to accept these incentives. The skipping of a family on the waiting list to reach another family to implement this Deconcentration Policy shall not be considered an adverse action. As such, the Housing Authority will continue to accept applications and place the individuals on a waiting list. Selection will be made based on a combination of the local preferences and an income target mix. Any eligible family who qualifies as a higher income family may accept a dwelling unit assignment and be placed randomly into a vacant housing unit.

The Housing Authority will track the income mix within each project as an effort to avoid a concentration of higher or lower income families in any one building or development.

Monitoring will be conducted to confirm that at least forty (40) percent of all leased units will be within thirty (30) percent of median income.

Efforts through marketing and outreach shall be made to increase the number of families with incomes greater than thirty (30) percent of median income in the projects noted above in order to avoid concentrations of very low-income families in the projects as per the requirements of the QHWRA of 1998.

SECTION 8 TENANT-BASED ASSISTANCE:

INCOME MIX TARGETING: In each fiscal year, not less than 75% of the new admissions will have incomes at or below 30% of the area median income.

II037j01

***Montgomery County Housing Authority
Procurement Policy***

TABLE OF CONTENTS

GENERAL PROVISIONS	1
PROCUREMENT AUTHORITY AND ADMINISTRATION	2
PROCUREMENT METHODS	4
CONTRACTOR QUALIFICATIONS AND DUTIES	11
TYPES OF CONTRACTS, CLAUSES, AND CONTRACT ADMINISTRATION	12
SPECIFICATIONS	14
APPEALS AND REMEDIES	15
ASSISTANCE TO SMALL AND OTHER BUSINESSES	15
ETHICS IN PUBLIC CONTRACTING	17

STATEMENT OF PROCUREMENT POLICY

This Procurement Policy was adopted for the Montgomery County Housing Authority by Board action on _____.

The Policy complies with HUD's Annual Contributions Contract (ACC), HUD Handbook 7460.8, Procurement Handbook for Public Housing Agencies, and the procurement standards of 24 CFR 85.36.

GENERAL PROVISIONS

Purpose

The purpose of this statement of Procurement Policy is to: provide for the fair and equitable treatment of all persons or firms involved in purchasing by the Montgomery County Housing Authority; assure that supplies, services, and construction are procured efficiently, effectively, and at the most favorable price available to the Montgomery County Housing Authority without sacrificing needed quality; promote competition in contracting; provide safeguards for maintaining a procurement system of quality and integrity; ensure unnecessary or duplicate purchases are not made; promote national goals such as equal employment opportunity, stimulation of small and minority-owned businesses, fair labor standards are encouraged through government purchases; and assure that the Montgomery County Housing Authority's purchasing actions are in full compliance with applicable federal standards, HUD regulations, and state and local laws.

Application

This statement of Procurement Policy applies to all contracts for the procurement of supplies, services and construction entered into by the Montgomery County Housing Authority after the effective date of this statement. It shall apply to every expenditure of funds by the Montgomery County Housing Authority for public purchasing, irrespective of the source of funds, including contracts which do not involve an obligation of funds (such as concession contracts). However, nothing in this statement shall prevent the Montgomery County Housing Authority from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with law, and in particular.

The term "procurement" as used in this statement, includes both contracts and modifications (including change orders) for construction or services, as well as purchase, lease, or rental of supplies and equipment.

Public Access to Procurement Information

Procurement information shall be a matter of public record to the extent provided in the Georgia Freedom of Information Act and shall be available to the public as provided in that statute.

PROCUREMENT AUTHORITY AND ADMINISTRATION

- . All procurement transactions shall be administered by the Contracting Officer, who shall be the Executive Director or other individual he/she has authorized in writing. The Executive Director shall issue operational procedures to implement this statement, which shall be based on HUD Handbook 7460.8. The Executive Director shall also establish a system of sanctions for violations of the ethical standards described in section XII below.

- . The Executive Director or designee shall ensure that:

Procurement requirements are subject to an annual planning process to assure efficient and economical purchasing;

To commit and bond the Authority and be and act as Contracting Officer therefore without prior approval of the Board of Commissioners in the following instances:

- a. Contract awards up to \$100,000.
- b. Notice to Proceed Orders, Change Orders, or Amendment to Contracts authorizing increases or decreases in the contract price up to 10% of the contract price, but in no event in excess of HUD-established thresholds.
- c. Emergency contracts, provided that (1) whenever possible, negotiation shall be had with at least three qualified bidders; (2) if the proposed contract is in excess of \$100,000, verbal approval shall be obtained from at least three (3) commissioners prior to award, if possible, otherwise as soon as practical after the emergency; and (3) award in excess of \$100,000 shall be submitted to the Commissioners for notification with an explanation of the attendant circumstances as soon as practical after the emergency.

Competitive bidding for all purchases of goods and services will be followed whenever possible;

Contracts and modifications are in writing, clearly specifying the desired supplies, services, or construction, and are supported by sufficient documentation regarding the history of the procurement, including as a minimum the method of procurement chosen, the selection of the contract type, the rationale for selecting or rejecting offers, and basis for the contract price;

For procurement other than small purchases (purchases exceeding \$100,000), a minimum of thirty (30) days is provided for preparation and submission of bids or proposals; and notice of contract awards is made available to the public.

Solicitation procedures are conducted in full compliance with federal standards stated in 24 CFR 85.36.

An independent cost estimate is prepared before each procurement above the small purchase limitation, and a cost or price analysis is conducted of the responses received for all procurement;

Neither cost plus or percentage-of-construction-cost methods of contract awarding will be allowable;

Prospective construction contractors will be required to post bid guarantees unless otherwise specified;

. Contract award is made to the responsive and responsible bidder offering the lowest price (for sealed bid contracts) or greatest value to the Montgomery County Housing Authority, considering price, technical, and other factors as specified in the solicitation (for contracts awarded based on competitive proposals); unsuccessful firms are notified within ten (10) days after the contract award;

. There are sufficient unencumbered funds available to cover the anticipated cost of each procurement before award or modification (including change orders), work is inspected before payment, and payment is made promptly for contract work performed and accepted;

. The Montgomery County Housing Authority complies with applicable HUD review requirements. Complete files of all procurements and contracts will be maintained to demonstrate compliance with all federal and state regulations as well as Authority policy;

. All purchases and contracts in excess of \$100,000 shall be reviewed and/or approved by the Board of Commissioners.

This Statement and change orders shall be submitted to the Board of Commissioners for approval. The Board appoints and delegates procurement authority to the Executive Director and is responsible for ensuring that any procurement policies adopted are appropriate for the Montgomery County Housing Authority.

PROCUREMENT METHODS

Selection of Method

If it has been decided that the Montgomery County Housing Authority will directly purchase the required items, one of the following procurement methods shall be chosen, based on the nature and anticipated dollar value of the total requirement.

Small Purchase Procedures

General: Any contract not exceeding an aggregate purchase value of \$100,000 may be made in accordance with the small purchase procedures authorized in this section. Contract requirements shall not be artificially divided so as to constitute a small purchase under this section (except as may be reasonably necessary to comply with section VII of this statement).

Petty Cash: Small purchases under \$250 which can be satisfied by local sources may be processed through the use of a petty cash account. The Contracting Officer shall ensure that: the account is established in an amount sufficient to cover small purchases made during a reasonable period (five days); security is maintained and only authorized individuals have access to the account; the account is periodically reconciled and replenished by submission of a voucher to the Montgomery County Housing Authority finance officer; and, the account is periodically audited by the finance officer or designee to validate proper use and to verify that the account total equals cash on hand plus the total of accumulated vouchers.

Blanket Purchase Agreements: The use of Blanket Purchase Agreements to purchase maintenance parts, such as plumbing, electrical, etc., will be established with a ceiling limit not to exceed an aggregate amount of \$100,000 in one year. Purchases exceeding this limit will use procedures outlined for Sealed Bids.

Small purchases of less than \$2500: For small purchases, less than \$2500, only one (1) verbal quotation needs to be solicited and documented if the price received is considered reasonable. Such purchases must be distributed equitably among qualified sources. If practicable, a quotation shall be solicited from other than the previous source before placing a repeat order. Reference 24 CFR 85.36 (d) (1).

Small Purchases and Contracts Over \$2500: For small purchases in excess of \$2500 but not exceeding \$100,000, no less than three (3) offerors shall be solicited to submit price quotations, which may be obtained orally, by telephone, or in writing. Award shall be made to the offeror providing the lowest acceptable quotation, unless justified in writing based on price and other specified factors, such as for other specified factors, such as for architect-engineer contacts. If non-price factors are used, they shall be disclosed to all those solicited. The names, addresses, and/or telephone numbers of the offerors and persons contacted, and the date and amount of each quotation shall be recorded and maintained as public record.

Contracts may be extended for a maximum contract term of two years after a cost analysis has been conducted and the price is determined to be reasonable.

Sealed Bids

Conditions for Use. Contracts shall be awarded based on competitive sealed bidding if the following conditions are present: a complete, adequate, and realistic specification or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work; the procurement lends itself to a firm fixed price contract; and the selection of the successful bidder can be made principally on the basis of price. Sealed bidding is the method for Capital Fund Program (CFP). Sealed bidding shall be used for all construction and equipment contracts exceeding the small purchase limitation. For professional services contracts, sealed bidding will not be used.

Solicitation and Receipt of Bids: An Invitation For Bids shall be issued through formal advertising in a newspaper of general circulation, or by mailing solicitations to bid to all available dealers, and by posting notices in public places, or by a combination of such methods. The formal advertisement will allow for a minimum of thirty (30) days lead time for submission of sealed bid proposals and will include specifications and all contractual terms and conditions applicable to the procurement, and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the invitation for bids. The invitation for bids shall state the time and place for both the receipt of bids and the public bid opening. All bids received shall be time stamped but not opened and shall be stored in a secure place until bid opening. Bids must arrive before the date and time of bid opening to be considered responsive bids. A bidder may withdraw a bid any time prior to bid opening.

Bid Opening Award: Bids shall be opened publicly and in the presence of at least one witness. An abstract of bids shall be recorded and the bids shall be available for public inspection. Award shall be made as provided in the invitation for bids by written notice to the successful bidder. If equal low bids are received from reasonable bidders, award shall be made by drawing lots or similar random method, unless otherwise provided for in state or local law and stated in the invitation for bids. If only one responsive bid is received from a responsible bidder, award shall not be made unless a cost or price analysis verifies the reasonableness of the price.

For purchases made without competition, the Contracting Officer shall certify that an emergency exists which permits no delay because of possible injury to life or destruction of property, or when only one source of supply is available, the file shall be so documented.

Mistakes in Bids A) Correction or withdrawal of inadvertently erroneous bids may be permitted, where appropriate, before bid opening by written or telegraphic

notice received in the office designated in the invitation for bids prior to the time set for bid opening. After bid opening, corrections in bids shall be permitted only if the bidder can show by clear and convincing evidence that a mistake of a non-judgmental character was made, the nature of the mistake, and the bid price actually intended. A low bidder alleging a non-judgmental mistake may be permitted to withdraw a bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made. B) All decisions to allow correction or withdrawal of bid mistakes shall be supported by a written determination signed by the Contracting Officer. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the Montgomery County Housing Authority or fair competition shall be permitted.

Bonds: In addition to the other requirements of this statement, the following requirements apply:

For construction contracts exceeding \$100,000 other than those specified in 6B and 6C below, contractors shall be required to submit the following:

A bid guarantee from each bidder equivalent to 5% of the bid price;
and

A performance bond for 100% of the contract price; and

A payment bond for 100% of the contract price.

In the case of construction of conventional development projects funded pursuant to the US Housing Act of 1937, the contractor shall be required to submit the following:

A bid guarantee from each bidder equivalent to 5% of the bid price; and

One of the following at the discretion of the Montgomery County Housing Authority:

A performance and payment bond for 100% of the contract price;

or,

A 20% cash escrow; or

A 25% irrevocable letter of credit.

In the case of construction under the Capital Fund program (CFP) funded pursuant to the U.S. Housing Act of 1937, for any contract over \$100,000 the contractor shall be required to submit the following:

A bid guarantee from each bidder equivalent to 5% of the bid price; and

One of the following at the discretion of the Montgomery County Housing Authority:

- a) A performance and payment bond for 100% of the contract price; or
- b) Separate performance and payment bonds, each for 50% or more of the contract price; or
- c) A 20% cash escrow; or
- d) A 25% irrevocable letter of credit.

Competitive Proposals

Conditions for Use: Competitive proposals (including turnkey proposals for development) may be used if there is an adequate method of evaluation of technical proposals and where the Montgomery County Housing Authority determines that conditions are not appropriate for the use of sealed bids. An adequate number of qualified sources shall be solicited.

Solicitation: The Request for Proposals (RFP) shall clearly identify the relative importance of price and other evaluation factors and subfactors, including the weight given to each technical factor and subfactor. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be handled so as to prevent disclosure of the number of offerors, and the contents of their proposals. The proposals shall be evaluated only on the criteria stated in the Request for Proposals.

Negotiations: Unless there is no need for negotiations with any of the offers, negotiations shall be conducted with offerors who submit proposals determined to have a reasonable chance of being selected for award, based on evaluation against the technical and price factors as specified in the RFP. Such offerors shall be accorded fair and equal treatment with respect to any opportunity for negotiation and revision of proposals. The purpose of negotiations and revisions shall be to seek clarification with regard to and to advise offerors of the deficiencies in both the technical and price aspects of their proposals so as to assure full understanding of and conformance to the solicitation requirements. No offeror shall be provided information about any other offeror's proposal, and no offeror shall be assigned in bringing it's proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations.

Award: After evaluation of proposal revisions, if any, the contract shall be awarded to the responsible firm whose qualifications, price and other factors considered, are the most advantages to the Montgomery County Housing Authority.

Architect/Engineer (A/E) Consultant, Audit, Legal Services and Maintenance Agreements: Architect/Engineer Services in excess of the small purchase

limitation may be obtained by either the competitive proposals method or qualifications based selection procedures. If the competitive proposal method is used, award shall not be based solely on the lowest price offered to the Montgomery County Housing Authority. Under qualifications-based selection procedures, competitors qualifications are evaluated and the most qualified competitor is selected, subject to the negotiation of fair and reasonable compensation. The maximum term for retainer and service agreements shall be two years, subject to necessary HUD approval. For all agreements that are less than \$100,000, the Montgomery County Housing Authority may procure services through the small purchase procedures, the competitive proposal, or qualifications-based selection procedures.

Noncompetitive Proposals

Conditions for Use: Procurement shall be conducted competitively to the maximum extent possible. Procurement by noncompetitive proposals may be used only when the award of a contract is not feasible using small purchases procedures, sealed bids, or competitive proposals, and one of the following applies:

The item is available only from a single source, based on a good faith review of available sources;

An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the Montgomery County Housing Authority, as may arise by reason of a flood, tornado, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary to meet the emergencies;

HUD authorizes the use of noncompetitive proposals: or

After solicitation of a number of sources, competition is determined inadequate.

Justification: Each procurement based on noncompetitive proposals shall be supported by written justification for using such procedures. The justification shall be approved in writing by the Contracting Officer.

Price Reasonableness: The reasonableness of the price for all procurement based on noncompetitive proposals shall be determined by performing a cost analysis, as described in paragraph F3 below.

Cost and Price Analysis

General: A cost or price analysis shall be performed for all procurement actions, including contract modifications. The method of analysis shall be determined as outlined. The degree of analysis shall depend on the facts surrounding each procurement.

Submission of cost pricing information: If the procurement is based on noncompetitive proposals, or when only one offer is received, or for other procurement as deemed necessary by the Montgomery County Housing Authority (e.g. when contracting for professional, consulting, or A/E Services) the offeror shall be required to submit:

A cost breakdown showing projected cost and profit.

Commercial pricing and sales information sufficient to enable the Montgomery County Housing Authority to verify the reasonableness of the proposed price of a commercial product sold in substantial quantities to the general public; or

Documentation showing that the offered price is set by law or regulation.

Cost Analysis: Cost analysis shall be performed if an offeror/contractor is required to submit a cost breakdown as a part of its proposal. When a cost breakdown is submitted, a cost analysis shall be performed of the individual cost elements. The Montgomery County Housing Authority shall have the right to audit the contractor's book and records pertinent to such costs; profit shall be analyzed separately. Cost shall be allowable only to the extent that they are consistent with applicable federal cost principals (for commercial firms, subpart 31.2 of the federal acquisition regulation, 48 CFR chapter 1) in establishing profit. The Montgomery County Housing Authority shall consider factors such as the complexity and risk of the involved, the contractor's investment and productivity, the amount of subcontracting, the quality of past performance, and industry profit rates in the area for similar work.

Price Analysis: A comparison of price shall be used in all cases other than those described in paragraph F3 above.

Cancellation of Solicitations

An Invitation For Bids, Request For Proposals, or other solicitation may be canceled before offers are due if: the Montgomery County Housing Authority no longer requires the supplies, services, or construction; the Montgomery County Housing Authority can no longer reasonably expect to fund the procurement; proposed amendments to the solicitation would be of such magnitude that a new solicitation would be desirable; or similar reasons.

A solicitation may be canceled and all bids or proposals that have already been received may be rejected if: the supplies, services or construction are no longer required; ambiguous or otherwise inadequate specifications were part of the solicitation; the solicitation did not provide for consideration of all factors significant to the Montgomery County Housing Authority; prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds; there is reason to believe that bids or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith; or for good cause of a similar nature when it is the best interest of the Montgomery County Housing Authority.

The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request to any offeror solicited.

A notice of cancellation shall be sent to all offerors solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any resolution or future procurement of similar items.

If all otherwise acceptable bids received in response to an invitation for bids are at unreasonable prices, or only one bid is received and the price is unreasonable, the Montgomery County Housing Authority shall cancel the solicitation and either:

- a. Re-solicit using a request for proposals; or
- b. Complete the procurement by using the competitive proposals method, or by using the noncompetitive proposals method provided, that the Contracting Officer determined in writing that such action is appropriate, all bidders are informed of the Montgomery County Housing Authority's intent to negotiate, and each responsible bidder is given a reasonable opportunity to negotiate.

Cooperative Purchasing

The Montgomery County Housing Authority may enter into federal, state and local intergovernmental agreements to purchase common goods and services. The decision to use an intergovernmental agreement or conduct a direct procurement shall be based on economy and efficiency. If used, the intergovernmental agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The use of federal or state excess and surplus property shall be considered instead of purchasing new equipment and property whenever such use is feasible and reduces project cost.

Contract Award

With respect to purchases and contracts, award shall be made to the lowest responsible bidder conforming to the specifications. In the event that the low bidder does not comply with the Contract Specifications, or is “not responsible”, the Authority shall be so advised together with a recommendation for award to the next lowest responsible bidder. In determining a bidder’s responsibility within the meaning of this policy, consideration shall be given to past experience with the bidder, financial responsibility, technical ability, any factors affecting the bidder’s ability to comply with the contract requirements, and information available from other governmental and municipal agencies.

CONTRACTOR QUALIFICATIONS AND DUTIES

Contractor Responsibility

Procurement shall be conducted only with responsible contractors, i.e. those who have technical and financial competence to perform and who have a satisfactory record of integrity. Before awarding a contract, the Montgomery County Housing Authority shall review the proposed contractor's ability to perform the contractor's integrity (including a review of the list of parties excluded from federal procurement or non-procurement programs published by the US general services administration and limited details of participation issued by HUD), compliance with public policy, record of past performance (including contracting previous clients of the contractor, such as other PHA's), and financial technical resources. If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the contract file, and the prospective contractor shall be advised of the reasons for the determination.

Suspension and Debarment

Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined ineligible by HUD in accordance with HUD regulations (24 CFR part 24) when necessary to protect the Montgomery County Housing Authority in its business dealings.

Qualifications Bidder's List

Interested business shall be given an opportunity to be included on qualified bidder's list. Any pre-qualified list of person's, firms or products which are used in the procurement of supplies and services shall be kept current and shall include enough qualified sources to ensure competition. Firms shall not be precluded from qualifying during the solicitation period. Solicitation mailing lists of potential contractors shall include, but not be limited to, such pre-qualified suppliers.

TYPES OF CONTRACTS, CLAUSES, AND CONTRACT ADMINISTRATION

Contract Types

Any type of contract which is appropriate to the procurement and which will promote the best interest of the Montgomery County Housing Authority may be used, provided that the cost-plus-a-percentage-of-cost and percentage of construction cost methods are prohibited. All procurement shall include the clause and provisions necessary to define the rights and responsibilities of the parties. A cost reimbursement contract shall not be used unless it is likely to be less costly or it is proposed contractor's accounting system is adequate to allocate cost in accordance with applicable cost principles (for commercial firms, subpart 31.2 of the Federal Acquisition (FAR), found in 48 CFR chapter 1). A time and material contract may be used only if a written determination is made that no other contract type is suitable, and the contract includes a ceiling price that the contractor exceeds at his own risk.

Options

Options for additional quantities or performance periods may be included in contracts provided that:

1. The option is contained in the solicitation;
2. The option is a unilateral right of the Montgomery County Housing Authority;
3. The contract states a limit on the additional quantities and the overall term of the contract;
4. The options are evaluated as part of the initial competition;
5. The contract states the period with which the options may be exercised;
6. The options may be exercised only at the price specified in or reasonably determined from the contract; and
7. The options may be exercised only if determined to be more advantages to the Montgomery County Housing Authority conducting a new procurement.

Clauses

In addition to containing a clause identifying the contract type, all contracts shall include any clause required by federal statutes, executive orders, and the implementing regulations, as provided in 243 CFR 85.36 (i), such as the following:

1. Termination for convenience,
2. Termination for default,
3. Equal employment opportunity,
4. Anti-Kickback Act,
5. Davis-Bacon Act,
6. Contract work hours and safety standards act reporting requirements,
7. Patent Rights,
8. Rights in Data,
9. Examination of records by comptroller general, retention of records for three years after close-out,
10. Clean Air and Water,
11. Energy Efficient Standards,
12. Bid Protests and Contract Claims,
13. Value engineering, and
14. Payment of funds to influence certain federal transactions. The operational procedures required by Section IIA of this statement shall contain the text of all clauses and required certifications (such as required non-collusive affidavits) used by the Montgomery County Housing Authority.
15. Disclosure of Fiducial Interest. All developers, consultants, contractors, subcontractors, and any interested parties (persons) with a pecuniary interest and who have or will have \$50,000 or more in gross receipts from any grant must formally disclose their identity, the identity of officers and persons in their corporation who hold at least ten percent (10%) ownership in the corporation.

Such disclosure must be documented at the time of signing of a contract obligating CDBG funding. The disclosure certification must be signed and retained on file with the Grantee prior to any drawdown which will include payments to that corporation.

Contract Administration

A contract administration system designed to insure that contractors perform in accordance with their contracts shall be maintained. The operational procedures required in Section II A above shall contain guidelines for inspection of supplies, services, or construction, as well as monitoring contracts, and similar matters. For cost reimbursement contracts with commercial firms, costs are allowable only to the extent that they are consistent with the cost principles.

SPECIFICATIONS

General

All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying the Montgomery County Housing Authority's needs. Specifications shall be reviewed prior to solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Functional or performance specifications are preferred. Detailed product specifications shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurement to obtain a more economical purchase (see VII Below). For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

Limitations

The following specifications limitations shall be avoided: geographic restrictions not mandated or encouraged by applicable federal law (except for A&E Contracts, which may include geographic location as a selection factor if adequate competition is available); unnecessary bonding or experience requirements; brand name specifications (unless a written determination is made that only the identification item will satisfy the Montgomery County Housing Authority's needs); brand name or equal specifications unless they list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use. Nothing in this Procurement Policy shall preempt any state licensing law. Specifications shall be scrutinized to ensure that organizational conflicts of interest do not occur (for example, having a consultant perform a study of the MCHA's computer needs and then allowing that consultant to compete for the subsequent contract for the computers).

APPEALS AND REMEDIES

General

It is the Montgomery County Housing Authority's policy to resolve all contractual issues informally at the authority level without litigation. Disputes shall not be referred to HUD until all administrative remedies have been exhausted at the authority level. When appropriate, the Montgomery County Housing Authority may consider the use of informal discussions between the parties by individuals who did not participate substantially in the matter in dispute, to help resolve the differences. HUD will only review protests in cases of violation of federal law or regulations and failure of the Montgomery County Housing Authority to review a complaint or protest.

Bid Protests

Any actual or prospective contractor may protest the solicitation of award of a contract for serious violations of the principles of this statement. Any protest against a solicitation must be received before the due date for receipt of bids or proposals, and any protest within ten calendar days after contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the contracting office or designee, who shall issue a written decision on the matter. The Contracting Officer may, at his or her discretion, suspend the procurement pending resolution of the protest, if warranted by the facts presented.

Contract Claims.

All claims by a contractor relating to performance of a contract shall be submitted in writing to the Contracting Officer or designee for a written decision. The contractor may request a conference on the claim. The Contracting Officer's decision shall inform the contractors of its appeal rights to (a higher level in the Montgomery County Housing Authority, such as the Executive Director or a designated Board Member, or a procurement appeals Board.)

ASSISTANCE TO SMALL AND OTHER BUSINESSES

Required Efforts

Consistent with Presidential Executive Orders 11625, 12138, and 12432, and section 3 of the HUD Act of 1968, the Montgomery County Housing Authority shall make efforts to ensure that small and minority-owned businesses, women's business enterprises, labor surplus area businesses, and individuals or firms located in or owned in substantial part by persons residing in the area of a Montgomery County Housing Authority project are used when possible. Such efforts shall include, but shall not be limited to:

- a. Including such firms, when qualified, on solicitation mailing lists;
- b. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;
- c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- d. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
- e. Using the services and assistance of the Small Business Administration, the Minority Business Development Agency, and the Department of Commerce;
- f. Including in contracts a clause requiring contractors, to the greatest extent feasible, to provide opportunities for the training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which are located in, or owned in substantial part by persons residing in the area of the project, as described in 24 CFR 135;
- g. Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed in A1 A through A1 F above.

Goals may be established by the Montgomery County Housing Authority periodically for participation by small businesses, minority-owned businesses, women's business enterprises, labor surplus area businesses, and business concerns which are located in, or owned in substantial part by persons residing in the area of the project, in the Montgomery County Housing Authority's prime contracts and subcontract opportunities.

Definitions

A **small business** is defined as a business which is Independently owned; not dominated in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR 121 shall be used, unless the Montgomery County Housing Authority determines that their use is inappropriate.

A **minority-owned business** is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of the voting stock is owned by one or more minority group members, and whose management and daily business operates or are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans and Asian Indian Americans, and Hasidic Jewish Americans.

A **women's business enterprise** is defined as a business that is at least 51% owned by a women and women who are US citizens and who also control or operate the business.

A **labor surplus area business** is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployed as defined by the US Department of labor in 20 CFR 654, subpart A, and in list of labor surplus areas published by the employment and training administration.

A **business concern located in the area of the project**, is defined as an individual or firm located within the relevant Section 3 covered project area, as determined pursuant to 24 CFR 135.15, listed on HUD's registry of eligible business concerns, and meeting the definitions of small business above. A business concern owned in substantial part by persons residing in the area of the project is defined as a business concern which is 51% or more owned by persons considered by the U.S. Small Business Administration to be socially or economically disadvantaged, listed on HUD's registration of eligible business concerns, and meeting the definitions of small business above.

ETHICS IN PUBLIC CONTRACTING

General

The Montgomery County Housing Authority shall adhere to the following code of conduct, consistent with applicable state or local law.

Conflict of Interest

No employee, officer or agent of the Montgomery County Housing Authority shall participate directly or indirectly in the selection or in the award or administration of any contract if a conflict, real or apparent, would be involved. Such conflict would arise when a financial or other interest in a firm selected for award is held by:

1. An employee, officer or agent involved in making the award;
2. His/her relative (including father, mother, son, daughter, brother, sister, husband, wife, uncle, aunt, first cousin, nephew, niece, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepbrother, stepsister, stepson, stepdaughter, half-brother, half-sister);
3. His/Her partner, or;
4. An organization which employs, is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

Gratuities, Kickbacks, and Use of Confidential Information

Montgomery County Housing Authority Officers, Employees or Agents shall not solicit or accept gratuities, favors, or anything of monetary value from contractors, or parties to contracts or subcontracts, and shall not knowingly use confidential information for actual or anticipated personal gain.

The Montgomery County Housing Authority may set minimum rules where the

financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.

Prohibition Against Contingent Fees

Contractors shall not retain a person to solicit or secure a Montgomery County Housing Authority contract for a commission, percentage, brokerage, or contingent fee, except for bona fide employees or bona fide established commercial selling agencies.

Nondiscrimination in Employment

All contracts, subcontracts and purchase orders involving labor in the property or facilities of the Authority shall include a provision that the contractor or subcontractor(s) shall not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, marital status, age, or handicap.

Penalties

To the extent permitted by state or local law or regulations, such standards of conduct shall provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the Montgomery County Housing Authority's officers, employees, or agents, or by contractors or their agents.

Any contract that is influenced by conflict of interest will be declared void.

MONTGOMERY COUNTY HOUSING AUTHORITY
ADMISSIONS AND CONTINUED OCCUPANCY POLICY

SEPTEMBER 1999

REVISED _____

TABLE OF CONTENTS

A.	INTRODUCTION.....	A-1
B.	DEFINITIONS	
	FAMILY	B-1
	ANNUAL INCOME	B-3
	TOTAL TENANT PAYMENT	B-8
	OTHER	B-9
	PREFERENCES	B-13
C.	ADMISSIONS	
	ADMISSIONS POLICIES	C-1
	OUTREACH TO HIGHER INCOME FAMILIES	C-2
	APPLICATION TAKING	C-3
	ELIGIBILITY CRITERIA	C-5
	SCREENING	C-10
	RECORDS MANAGEMENT AND CONFIDENTIALITY	C-12
	VERIFICATION OF INCOME AND CIRCUMSTANCES	C-13
	DETERMINATION AND NOTIFICATION OF ELIGIBILITY	C-17
	OCCUPANCY STANDARDS	C-19
	APPLICANT SELECTION AND ASSIGNMENT PLAN.....	C-21
	CEILING RENTS AND FLAT RENTS	C-25
	LEASING OF DWELLING UNITS	C-26
	ADMISSION OF ADDITIONAL MEMBERS TO A CURRENT HOUSEHOLD	C-28
	APPROVAL PROCESS FOR RESIDENTS REQUESTING PERMISSION TO OPERATE A BUSINESS IN THE UNIT	C-29
	SPECIAL OCCUPANCY PROVISIONS.....	C-30
D.	CONTINUED OCCUPANCY	
	ELIGIBILITY FOR CONTINUED OCCUPANCY	D-1
	INSPECTIONS AND REEXAMINATIONS	D-3
	TERMINATION OF THE DWELLING LEASE.....	D-8
	TRANSFER POLICY	D-10
	ABANDONMENT OF A UNIT	D-17
	COMMUNITY SERVICE AND FAMILY SELF-SUFFICIENCY	D-18
E.	FRAUD	E-1
F.	RENT COLLECTION POLICY	F-1

APPENDIX

- A. INCOME LIMITS
- B. UTILITY ALLOWANCES
- C. GRIEVANCE PROCEDURE
- D. PET POLICY
- E. ONE STRIKE AND YOU'RE OUT POLICY
- F. FLAT RENTS

HOUSING AUTHORITY

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

Part A

INTRODUCTION

INTRODUCTION

1. Purpose of the ACOP

The purpose of this policy is to establish guidelines for the Housing Authority staff to follow in determining eligibility for admission to and continued occupancy of public housing.

2. Civil Rights Policy

It is the policy of the Housing Authority, also referred to as the “Housing Authority” and the “PHA”, to comply fully with Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974), Executive Order 11063, Section 3 of the 1968 Civil Rights Act, and with all rules and regulations. Specifically, the PHA shall not on account of race, color, sex, creed, or national origin deny any family or individuals the opportunity to apply for assistance under the Low-Rent Housing Program. Neither will the PHA discriminate because of religion, age, physical handicap, pregnancy, parenthood, nor marital or veteran status.

To further its commitment to full compliance with applicable Civil Rights Acts, the PHA will provide federal, state, and local information to applicant/participant households regarding discrimination and recourse in the event of discrimination. Such information will be made available during the Pre-Occupancy Briefing and all applicable forms and printed material will be made available to prospective resident families.

3. Privacy Policy

It is the policy of the Housing Authority (PHA) to facilitate the full exercise of rights conferred on individuals under the Privacy Act of 1974, 5 U.S.C 552A, and to insure the protection of privacy of individuals about whom the Housing Authority maintains records under its Low-Rent Housing Program.

Therefore, the PHA shall not disclose any personal information contained in such records by any means of communication to any person or to another agency unless the individual to whom such information pertains requests or consents to such disclosure or unless such disclosure is authorized under the applicable provisions of the Privacy Act. The PHA has determined that disclosure under any other circumstances would constitute an unwarranted invasion of privacy in violation of the Privacy Act and the United States Constitution. The PHA shall refuse any and all requests for any unauthorized and unlawful disclosures. It is important to note that this privacy policy is applicable to the disclosure of participant information and NOT the gathering and use of information necessary to ensure full compliance with HUD regulations governing such items including, but not limited to, the following:

- determining initial and on-going eligibility
- applicable allowances and deductions
- resident rental payments

*Montgomery County Housing Authority
Admissions and Continued Occupancy Policy*

current and past assets
outstanding indebtedness to government as a result of prior participation in other federally-
subsidized housing programs

However, no information regarding applicant/participant households will be solicited unless directly attributed to direct or implied responsibilities of the Housing Authority.

4. Authority

Eligibility for admission to and occupancy of Low-Income Public Housing is governed by requirements of the Department of Housing and Urban Development, with some latitude for local policies and procedures. This Admissions and Continued Occupancy Policy (ACOP) incorporates these requirements and is binding upon applicants, residents, and the Housing Authority alike, the latter two through inclusion of the ACOP into the Dwelling Lease by reference. Notwithstanding the above, changes in applicable Federal law or regulations shall supersede this policy at any point in which they are in conflict.

5. Objectives

The objectives of this policy are to:

- a. Promote the overall goal of drug-free, healthy, safe, affordable, decent, and sanitary housing in good neighborhoods by:
 - (i) Ensuring a social and economic mix of low-income residents within each public housing neighborhood in order to foster social stability and upward mobility;
 - (ii) Ensuring the fiscal stability of the Housing Authority; and,
 - (iii) Lawfully denying admissions or continued occupancy to families whose presence in a public housing neighborhood is likely to adversely affect the health, safety or welfare of other residents or the physical environment of the neighborhood.
- b. Facilitate the efficient management of the Housing Authority and compliance with Federal Regulations by establishing the policy basis for management procedures, record keeping, and auditing.
- c. Comply in letter and spirit with Title VI of the Civil Rights Act of 1964 and all other applicable Federal Laws and regulations to insure that admission to and occupancy of public housing neighborhoods is conducted without regard to race, color, creed, sex or national origin.
- d. Prescribe standards and criteria for resident selection and annual reexamination of income and family composition.

*Montgomery County Housing Authority
Admissions and Continued Occupancy Policy*

6. Terminology

The term "he" or "his" used throughout this document is used in the generic sense to include male/female, singular/plural as appropriate. The Housing Authority is also referred to as the "Housing Authority" or the "PHA" throughout this document.

HOUSING AUTHORITY

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

Part B

DEFINITIONS

DEFINITIONS

FAMILY

1. The term "Family" as used in this policy means:
 - a. A family with or without children;
 - b. An elderly family;
 - c. A near-elderly family
 - d. A disabled family;
 - e. A displaced family;
 - f. The remaining member of a tenant family; and
 - g. A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

This Authority considers a family to be blood related. For example, two sisters, two brothers and other family members related by blood. Two members of the same sex not related by blood do not constitute a family.

2. The term "Disabled family" as used in this policy means:

A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

3. The term "Displaced family" as used in this policy means:

A family in which each member, or whose sole member, is a person 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.

4. The term "Displaced person" as used in this policy means:

A person 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.

5. The term "Elderly family" as used in this policy means:

A family whose head, spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

6. The term “Elderly person” as used in this policy means:

A person who is at least 62 years of age.

7. The term “Live-in Aide” as used in this policy means:

A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- a. Is determined to be essential to the care and well-being of the persons;
- b. Is not obligated to financially or otherwise support the person(s); and
- c. Would not be living in the unit except to provide the necessary supportive services.

8. The term “Near-elderly family” as used in this policy means:

A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62: or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

9. The term “Near-elderly person” as used in this policy means:

A person who is at least 50 years of age but below the age of 62.

10. The term “Person with disabilities” as used in this policy means:

- a. Has a disability as defined in section 223 of the Social Security Act;
- b. Has a physical, mental, or emotional impairment that:
 - (i) Is expected to be of a long-continued and indefinite duration;
 - (ii) Substantially impedes his or her ability to live independently; and
 - (iii) Is of such a nature that such ability could be improved by more suitable housing conditions; or
- c. Has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(5)).
- d. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for low-income housing under this title, solely on the basis of any drug or alcohol dependence.

ANNUAL INCOME

1. Income

Income is defined by the Secretary of HUD at 24 CFR 5.609, effective April 1, 1997 and amplified in this policy in those areas within the discretion of a Public Housing Authority.

2. Annual Income

Annual Income means all amounts, monetary or not, which go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or are anticipated to be received from a source outside the family during the 12-month period following reexamination effective date; and, which are exclusive of income that is temporary, nonrecurring, sporadic, and exclusive of certain other types of income specified in this policy; and, amounts derived during the 12-month period from assets to which any member of the family has access.

a. Annual Income includes, but is not limited to:

- (i) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
 - (ii) The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the Family;
- Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in (ii) above of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family. Where the family has Net Family Assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate, as determined by HUD;
- (iv) The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including a lump-sum payment for the delayed start of a periodic payment;
 - (v) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see "lump sum additions" in this

policy);

(vi) Welfare assistance;

(a) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus,

(b) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(vii) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling.

(viii) All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling, but see paragraph 5 in the next sub-section regarding special pay);

b. Annual Income does not include:

(i) Income from employment of children (including foster children) under the age of 18 years;

(ii) Payments received for the care of foster children or foster adults;

(iii) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (but see "payments in lieu of earnings" in this policy);

(iv) Amounts that are specifically for or in reimbursement of the cost of medical expenses, when applicable;

(v) Income of a Live-in Aide, as defined in 24 CFR §913.102;

(vi) Amounts of educational scholarships paid directly to the student or the educational institution, and amounts paid by the Government to a veteran, for use in meeting the costs of tuition, fees, books, equipment, materials, supplies, transportation, and miscellaneous personal expenses of the student. Any amount of such scholarship or payment to a veteran not used for the above purposes that are available for subsistence is to be included in income;

(vii) The special pay to a family member in the Armed Forces away from home and exposed to hostile fire;

- (viii) Temporary, nonrecurring or sporadic income (including gifts);
- (ix) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
- (x) Earnings in excess of \$480 for each full-time student 18 years old or older, excluding the head of household and spouse;
- (xi) Adoption assistance payments in excess of \$480 per adopted child;
- (xii) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
- (xiii) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit.
- (xiv) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
- (xv) Certain stipends (not to exceed \$200/mo) and other income received by participants in qualified training, self-sufficiency and work incentive programs. Includes CIAP and CGP training programs.
- (xvi) Earned income:
 - (a) Disallowance of earned income from rent determinations applies when a family member becomes employed after being unemployed for at least one (1) year, or when income increases during the participation in any family self-sufficiency or job training program, or who is or was assisted under TANF within six (6) months and whose earned income increases. Such disallowance shall be granted to eligible families for a twelve (12) month period, contingent upon continued employment or increased income.
 - (b) Upon expiration of the 12-month period of disallowance of earned income from rent determinations, earned income shall continue to be disallowed for the next twelve (12) months at a rate not to exceed 50% of the amount of the total rent increase that would be applicable in the absence of the disallowance. Such phase-in of earned income in rent calculation is contingent upon continued employment or increased income.
- (xvii) Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. When such exclusions are mandated by Federal statute or regulation, they will become effective as prescribed by the Federal government without the necessity to amend this policy. The

following is a list of types of benefits that qualify for that exclusion effective February 1998.

- (a) Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4636).
- (b) The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b));
- (c) Payment to volunteers under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5044(g), 5058);
- (d) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626 (a));
- (e) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
- (f) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));
- (g) Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b));
- (h) Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503 2504);
- (i) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Authority or the Court of Claims (25 U.S.C. 1407-1408) or from funds held in trust for an Indian tribe by the Secretary of the Interior (25 U.S.C. 117); and
- (j) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 that are used to cover the cost of attendance at an educational institution (See 24 CFR 215.1(c)(6), 236.3(c)(6), 813.106(c)(6), and 913.106(c)(6)).

If it is not feasible to anticipate a level of income over a 12 month period, the income anticipated for a shorter period may be annualized, subject to a redetermination at the end of the shorter period.

3. Monthly Income - One-twelfth of Annual income. For purposes of determining priorities based on an applicant's rent as a percentage of monthly income.
4. Adjusted Income - Adjusted income means annual income less the following:

- a. \$400 for any elderly or disabled family;
 - b. The amount by which 3% of the annual family income is exceeded by the sum of:
 - (i) Unreimbursed medical expenses for any elderly family or disabled family;
 - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.
 - c. Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education;
 - d. \$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is less than 18 years of age, or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities;
 - e. The amount of any earned income of a member of the family who is not:
 - (i) 18 years of age or older, and
 - (ii) The head of the household (or the spouse of the head of the household).
 - f. Other exclusions may be excluded at the discretion of the PHA:
 - (i) Excessive travel expenses, not to exceed \$25 per family per week for employment or education-related travel.
 - (ii) Earned income, which may include all earned income of the family; amount earned by particular members of the family; the amount earned by families having certain characteristics; the amount earned during certain periods or from certain sources.
5. Monthly Adjusted Income - One-twelfth of Adjusted Income.
6. Income for Rent - "Income for Rent" for the purpose of determining rents, and for statistical reporting means adjusted income; except that Annual Income is to be used in determining 10 percent of gross income.

TOTAL TENANT PAYMENT

- 1. Determining the Total Tenant Payment is a two-step process. Total Tenant Payment for families whose initial lease is effective on or after August 1, 1982, shall be the highest of the following rounded to the nearest dollar:

- a. 30 percent of monthly Adjusted Income; or
- b. 10 percent of Monthly Income;
- c. The welfare rent, if applicable.

A minimum rent amount of \$50. Note: QHWRA established certain exceptions to the minimum rent requirements relating to hardship which are discussed in the Rent Collection Policy of this ACOP.

After the highest amount has been determined above, that number is compared to the ceiling rent or flat rent of the unit size that is or will be occupied by the family, and the lower of the amount determined above or the ceiling/flat rent is the Total Tenant Payment.

- 2. Total Tenant Payment does not include charges for excess utility consumption or other miscellaneous charges, such as maintenance charges, late charges, etc.

TTP can be based on 0%-30% of monthly adjusted income. This is at the discretion of the PHA.

OTHER

1. Child Care Expenses: Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a family member to be gainfully employed or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care, and, in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment. The Housing Authority will not normally determine child care expenses as necessary when the household contains an additional unemployed adult who is physically capable of caring for children.
 2. Dependent: A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a Full Time Student. An unborn child shall not be considered a dependent.
 3. Designated Housing: A project (or projects) or a portion of a project (or projects) that has been designated in accordance with 24 CFR Part 945.
 4. Employment: Individual who is head of household or spouse and is employed. The employment income must be countable under the U.S. Department of Housing and Urban Development's definition of annual income.
- Enrolled in a Job Training Program: Individual who is head of household or spouse and is currently enrolled and participating in a job training program that prepares the applicant to enter or reenter the job market. Verification shall be required from the job training program.
6. Extremely Low-Income Family: A family's who's Annual Income does not exceed 30% of the area median income, as determined by HUD.
 7. Graduate of Job Training Program: Individual who is head of household or spouse is a graduate of a job training program that prepares the applicant to enter or reenter the job market. Verification shall be required from the job training program.
 8. Head of Household: Head of Household means the adult member of the family who is held primarily responsible and accountable for the family, particularly in regard to lease obligations.
 9. Low Income Family: A family who's Annual Income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs of unusually high or low family incomes.
 10. Medical Expenses: Those medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by Insurance. Medical expenses, in excess of 3% of Annual Income, are deductible from annual income for elderly families only.

11. Military Service: Military service means the active military service of the United States, which includes the Army, Navy, Air Force, Marine Corps, Coast Guard, and since July 29, 1945, the Commissioned Corps of the United States Public Health Service.
12. Minor: A "minor" is a person less than eighteen years of age. (An unborn child may not be counted as a minor but is counted for eligibility of a single, pregnant female.) An infant is a child under the age of two. Unemancipated minors shall not be eligible for participation in the public housing program because they cannot be legally held to a contract.
13. Mixed Population Project: A public housing project, or portion of a project, that was reserved for elderly families and disabled families at its inception (and has retained that character). If the project was not so reserved at its inception, the PHA has obtained HUD approval to give preference in tenant selection for all units in the project (or portion of a project) to elderly families and disabled families. These projects formerly were known as elderly projects.
14. Net Family Assets: "Net Family Assets" include the value of, or equity in, real property, savings, bonds, stocks, and other forms of capital investments after deducting reasonable costs that would be incurred in the disposition of such assets. The value of personal property such as furniture and automobiles is to be disregarded in the Net Assets determination. Also, the interests in Indian trust land and equity accounts in HUD homeownership programs is to be disregarded. (In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered as an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining Annual Income.) In determining Net Family Assets, the PHA shall include the value of any assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or resident received important consideration not measurable in dollar terms.
15. Spouse: Spouse means the husband or wife of the head of household.
16. Tenant Rent: The amount payable monthly by the Family as rent to the PHA. Where all utilities (except telephone) and other essential housing services are supplied by the PHA, tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone) and other essential housing services are not supplied by the PHA and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less the Utility Allowance. (Tenant Rent is a term established and defined by 24 CFR (§913) and as such, is occasionally awkward in ordinary usage. For this reason, the term "Tenant Rent" is used interchangeably with "rent" elsewhere in this ACOP to refer to the net monthly payment by the family to PHA. The only exception is the term "rent" as defined in this policy in reference to admission priorities based on an applicant's rent as a percentage of monthly income).

17. **Rent:** For purposes of determining whether an applicant is entitled to a priority for public housing admission based on current rent as a percentage of monthly income (if applicable), rent is defined as the actual amount due, calculated on a monthly basis, under a lease or rental agreement between a family and the family's current landlord, plus any monthly payments that a family makes toward tenant purchased utilities (except telephone) and other housing services. In calculating a family's payments toward utilities and other housing services, the Housing Authority will use its reasonable estimate of tenant-purchased utilities and other housing services that are normally included in rent; or if the family chooses, the family's average monthly utility costs, based on the family's utility bills furnished by the family, for the most recent 12-month period, or, where bills are not obtainable for the entire period, for an appropriate recent period.

For the purposes of calculating rent under this paragraph, amounts paid to or on behalf of a family under any energy assistance program must be subtracted from the otherwise applicable rental amount to the extent that they are not included in the family's income.

In the case of an applicant who owns a manufactured home, but who rents the space upon which it is located, rent under this paragraph includes the monthly payment to amortize the purchase price of the home, as calculated in accordance with HUD's requirements. In the case of members of a cooperative, rent under this paragraph means the charges under the occupancy agreement between the members and the cooperative.

18. **Utility:** Electricity, gas, heating fuel, water and sewage services, and trash and garbage collection. Telephone service is not included as a Utility.
19. **Utility Allowance:** If the cost of utility (except telephone) and other housing services for an assisted unit is not included in the Total Tenant Payment but is the responsibility of the family occupying the unit, an amount equal to the estimate made by PHA or HUD, of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a quality living environment.

Utility Reimbursement Payment: The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

21. **Very Low-Income Family:** A family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for small and larger families. HUD may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.
22. **Welfare Assistance:** Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by federal, state or local governments.
23. **Handicapped Assistance Expenses:** Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled Family member and that are necessary to enable a Family member (including the Handicapped or Disabled member) to be employed, provided that the expenses are neither paid to a

member of the Family nor reimbursed by an outside source.

24. Live-In Aid/Caretaker: A person who is employed by and resides with an Elderly, Disabled, or Handicapped person or persons to provide medical care, and who:
 - a. Is determined by the HA to be essential to the care and well-being of the person(s)
 - b. Is not obligated for support of the person(s); and
 - c. Would not be living in the unit except to provide supportive services (See 24 CFR 913.106 (C) for treatment of a Live-In Aide's Income.)

25. Neighborhood or Community: Any lower income Public Housing site as established in a development program, except that when sites are adjacent or within a block of each other, such sites collectively shall be considered one location.

26. Public Housing Authority/Agency (PHA): A State, County, municipality or other government entity or public body (or agency or instrumentality thereof) that is authorized by the 1937 Housing Law, as amended, to engage in or assist in the development or operation of housing for lower income families. The term "public housing" includes dwelling units in a mixed finance project that are assisted by a public housing authority with capital or operating assistance.

PREFERENCES

The Montgomery County Housing Authority will have only one preference. The Housing Authority will accept applicants on a first come, first serve basis. However, Victims of Domestic Violence who have verification of such violence from the local, state, or federal authorities will have preference over other applicants. Domestic violence means actual or threatened physical violence directed against one or more members of the applicant family by a spouse or other member of the applicant's household. The violence must have occurred recently (**define**) or is of a continuing nature.

HOUSING AUTHORITY

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

Part C

ADMISSIONS

ADMISSIONS

1. Non Discrimination

The Housing Authority will not, on account of race, color, creed, sex or national origin, deny or hinder any applicant family the opportunity to make application or lease a dwelling unit suitable to its needs in any of its developments. Neither will the Housing Authority discriminate because of religion, age, physical handicap, pregnancy, parenthood, or marital or veteran status.

The selection of residents for occupancy of available units will be in conformance with all HUD guidelines and regulations and applicable Fair Housing and Equal Opportunity Requirements.

2. Income Targeting

The Housing Authority will admit for occupancy eligible families and strive for no less than 40% of available dwelling units occupied by eligible families whose incomes at the time of commencement of occupancy do not exceed 30% of the area median income.

3. Deconcentration Policy

The Housing Authority will strive to create mixed-income communities and lessen the concentration of very-low income families within the Housing Authority's public housing developments through admissions policies designed to bring in higher income residents into lower income developments and lower income residents into higher income developments. This policy shall not be construed to impose or require any specific income or racial quotas for any public housing development owned by the Housing Authority.

OUTREACH TO HIGHER INCOME FAMILIES

1. Outreach to Higher Income Families

The Housing Authority encourages program participation by higher income families. In an effort to create mixed-income communities and lessen the concentration of very-low income families within the Housing Authority's public housing developments, the Housing Authority will conduct outreach targeted to higher income working families. Outreach may include printed material, radio advertising, and television advertising of the Housing Authority's public housing program. Outreach may also include formal and informal discussions and meetings.

2. Incentives

In order to achieve deconcentration, the PHA may choose to skip an applicant on the waiting list in order to house a family who is willing to accept a unit in a targeted development. The PHA may also grant incentive rents (or other incentives) the purpose of creating mixed income communities and lessening the concentration of extremely-low and very-low income families in one area. The applicant family shall have sole discretion of determining whether to accept the incentive and the Housing Authority shall not take any adverse action toward any eligible family for choosing not to accept an incentive.

3. Change in Income Targeting Goals

Under the Housing Authority's Section 8 program, not less than 75% of participants shall be families whose incomes do not exceed 30% of the area median income. Under the provisions of HR 4194, if the Housing Authority exceeds this goal and has in excess of 75% of participants whose incomes do not exceed 30% of the area median, the Housing Authority may decrease its income targeting goal to have no less than 30% of available dwelling units occupied by eligible families whose incomes at the time of commencement of occupancy do not exceed 30% of the area median income.

a. Credit for Exceeding Targeting Goals

During any fiscal year, the Housing Authority may be credited the number of units by which the aggregate number of qualified families who in such fiscal year are initially provided tenant-based assistance under Section 8 exceeds the number of qualified families that is required for the Housing Authority to comply with income target requirements.

b. Credit Limit

The credit number of units shall not exceed the lesser of:

- (i) The number of dwelling units that is equivalent to 10% of the aggregate number of families initially provided tenant-based assistance under Section 8; or,
- (ii) The number of public housing dwelling units that:

- (a) Are in projects that are located in census tracts having a poverty rate of 30% or more; and,
- (b) Are made available for occupancy during such fiscal year and are actually filled only by families whose incomes at the time of occupancy exceed 30% of the area median income.

APPLICATION TAKING

The Application Process

Pre-applications will be made available to applicants at the central intake center, or at designated sites, if applicable. Applicants will complete the pre-application form and return it to the housing authority where the family's name and information, and date and time of receipt, will be added to the waiting list.

The pre-application will request the names, age and social security numbers of all family members, the amount and source of income of each family member, and whether the applicant claims a preference. The applicant will be responsible for reporting any change of address or of circumstance (i.e., change in family composition, change in income). The authority will not verify the information provided by the family until the family's name comes to the top of the list.

The Application Process

All admissions to public housing shall be made on the basis of a personal interview where a pre-application is completed by the applicant family and Housing Authority personnel. The Application for Admission shall constitute the basic legal record of each family applying for admission and shall support the Housing Authority's determinations of eligibility status, priority status, rent, and size of unit for which the applicant is qualified. All supplemental materials pertaining to eligibility shall be considered a part of the application record and carefully recorded. This includes verifications of income and family composition and such other data as may be required. The following conditions shall govern the taking and processing of applications:

1. Pre-Applications for the public housing program will be completed during a one on one interview between the applicant family and Housing Authority personnel and shall be maintained on the Housing Authority's computer system. Applicants shall complete and sign the application and certify, subject to civil and criminal penalties, to the accuracy of all statements made therein. The Housing Authority reserves the right to require the signature of any or all adult members of the applicant household.
2. Applicants will be required to submit verification documentation as part of the application process. Applicants will be given a list of required verifications at the time of their interview with designated PHA personnel for the purpose of determining eligibility.
3. Should applicants fail to provide required verification documentation within time frame established by the PHA, the applicant is sent a denial letter with review and the review process.
4. The Housing Authority reserves the right to suspend application taking when the current supply of completed full applications exceeds the number of families that could be reasonably expected to be housed within the next twelve months.
5. The Housing Authority will normally take applications from a central location which will allow for processing by staff persons knowledgeable of the rules and regulations governing resident selection and assignment, but reserves the right to establish satellite locations for application taking.
6. The Housing Authority reserves the right to establish times for taking applications, including by

appointment. The Housing Authority staff may, at its discretion, provide for application interviews outside normal hours when necessary for hardship reasons.

7. Insofar as possible, application interviews shall be conducted in private.
8. Applications shall be updated as applicants report changes in income and family circumstances. All modifications to applications shall be properly documented and the transaction initialed by the staff member making the change.
9. All active applications will be purged no less than once every 12 to 18 months. Notification shall be sent to each applicant informing him/her that unless he/she confirms his/her continued interest, his/her application will be retired from the active file. Returned notification will be attached to the respective application as evidence of unsuccessful effort to locate the applicant. All applicants will be instructed to notify the PHA whenever there is a change in family composition, income, address, and any other factors relative to their eligibility status. Applicants should notify the PHA if he/she no longer desires consideration for public housing.
10. Applicants on waiting lists for any other type of assisted housing will have no special status with respect to the Low-Rent Public Housing Program. Applicants must submit separate applications for other programs. Applicants will not lose their place on any other PHA waiting list should they make an application for "Low-Rent" public housing. This right will be explained to each applicant who might have previously filed an application for a dwelling unit through any other PHA program.
11. The Housing Authority shall maintain such records as are necessary to document the disposition of all applications and to meet Department of Housing and Urban Development audit requirements.

ELIGIBILITY CRITERIA

1. The Housing Authority shall use the guidelines and procedures prescribed by HUD at the time of applicant processing to make a final determination of household eligibility.
2. All families who are admitted to Public Housing must be individually determined eligible under the terms of this policy. In order to be determined eligible, an applicant family must meet ALL of the following requirements:
 - a. The applicant family must qualify as a family as defined in Section B.
 - b. The single person applicant must qualify as a single person as defined in Section B.
 - c. The applicant's Annual Income as defined in Section B (HUD Secretary's definition) must not exceed income limits established by the Department of Housing and Urban Development for Public Housing in the County of PHA jurisdiction.
 - d. The applicant family must conform to the Occupancy Standards contained in this policy regarding unit size and type.
 - e. The applicant must have a satisfactory record in meeting past financial obligations, especially in payment of rent. In situations where an unsatisfactory record is obtained the PHA shall take into consideration extenuating circumstances such as illness, or other incidents beyond the control of the applicant. Applicants shall not have a history of more than three late rent payments during one calendar year. Applicants shall not have been evicted for non-payment of rent over the past five years.
 - f. Section 214 of the Housing and Community Development Act of 1980, as amended, prohibits the Secretary of the Department of Housing and Urban Development (HUD) from making financial assistance available to persons who are other than United States Citizens, nationals, or certain categories of eligible non-citizens either applying to or residing in specified Section 214 covered programs. Section 214 programs include: Public Housing, Section 8 Rental Certificate Program and Section 8 Rental Voucher Program.
 - g. Any tenant evicted from federally assisted housing by reason of drug-related criminal activity shall not be eligible for federally assisted housing during the 3-year period beginning from the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the Housing Authority, and/or if the circumstances leading to eviction no longer exists.
 - h. The Housing Authority shall prohibit admission for any household member who the Housing Authority determines is illegally using a controlled substance, or determines that a household member's illegal use, or pattern of illegal use, of a controlled substance, or abuse, or pattern of abuse, of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. QWHRA further stipulates that individuals convicted of manufacturing or producing methamphetamine (speed) will be permanently denied admission to public housing and a current resident's tenancy will be

immediately and permanently terminated if convicted of manufacturing or producing methamphetamine.

In determining whether to deny admission to the Housing Authority any household based on a pattern of abuse of alcohol by a household member, the Housing Authority may consider whether such a household member:

- (i) Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);
 - (ii) Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of controlled substance or abuse of alcohol (as applicable); or
 - (iii) Is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).
- i. The Housing Authority shall prohibit admission for any applicant or member of the applicant's household who the Housing Authority determines is or was, during a reasonable time preceding the date when the applicant household would otherwise be selected for admission, engaged in any drug-related or violent criminal activity or other criminal activity which would adversely affect the health, safety, or right to peaceful enjoyment of the premises by other residents or Housing Authority staff.
 - j. The Housing Authority shall prohibit admission for any applicant or member of the applicant's household that the Housing Authority determines is subject to a lifetime registration requirement under a state sex offender registration program.
 - k. The applicant family must have no record of disturbance of neighbors, destruction of property, unsafe living habits, unsanitary housekeeping practices, substance abuse, or any other history which may be reasonably expected to adversely affect:
 - (i) The health, safety, or welfare of other residents;
 - (ii) The peaceful enjoyment of the neighborhood by other residents; or
 - (iii) The physical environment and fiscal stability of the neighborhood.
 - l. The applicant family must not have a record of grossly unsanitary or hazardous housekeeping. This includes the creation of a fire hazard through acts such as the hoarding of rags and papers; severe damage to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage improperly; or serious neglect of the premises. In a case where a qualified agency is working with the applicant family to improve its housekeeping and the agency reports that the applicant family shows potential for improvement, decision as to eligibility shall be reached after referral to and recommendation by the Executive

Director or his/her designee. This category does not include applicant families whose housekeeping is found to be superficially unclean or lacks orderliness, where such conditions do not create a problem for the neighbors.

- m. The applicant family must be able to demonstrate capacity to discharge all lease obligations. This determination shall be made on a case by case basis and shall not be used to exclude a particular group by age, handicap, etc. In determining the applicant family's capacity to discharge all lease obligations the HA must consider the family's ability to secure outside assistance in meeting those obligations.
- n. If the applicant is a former resident of public housing or Section 8 housing programs administered by an agency, the applicant family must have a satisfactory record in meeting financial and other lease obligations. A former resident who owes a move out balance to the Housing Authority will not be considered for re-admission until the account is paid in full and reasonable assurance is obtained of the applicant's ability to meet his or her rent obligations.
- o. The applicant must not have a history of non-compliance with rental agreements including failure to comply with the terms of the rental agreements on prior residences, such as providing shelter to unauthorized persons, keeping pets or other acts in violation of rules and regulations, and painting or decorating without permission of the owner.

Any applicant who has been evicted from a public housing program or terminated from a Section 8 Rental Program shall not be eligible to receive any type of housing assistance for three years.

- p. The applicant family must have properly completed all application requirements, including verifications. Misrepresentation of income, family composition or any other information affecting eligibility, rent, unit size, neighborhood assignment, etc. will result in the family being declared ineligible. In the event the misrepresentation is discovered after admission, the family may be subsequently evicted, even if the family meets current eligibility criteria at that time.
 - q. Other factors affecting a final determination of eligibility include:
 - (i) Household has no outstanding indebtedness to the PHA or any other federal housing program;
 - (ii) Family will occupy unit as their sole place of residence.
3. Substance abuse as described in this policy and drug-related criminal activity as described in this policy shall include, but not be limited to, the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), and Section 428 of the FY 1999 HUD Appropriations Act).
4. Sources of information for eligibility determination may include, but are not limited to, the

applicant (by means of interviews or home visits), landlords, employers, family social workers, parole officers, court records, drug treatment centers, clinics, physicians or police departments where warranted by the particular circumstances. Information relative to the acceptance or rejection of an applicant shall be documented in accordance with Part C; Verification, and placed in the applicant's file. Such documentation may include reports of interviews, letters or written summaries of telephone conversations with reliable sources. At a minimum, such reports shall indicate the date, the source of information, including the name and title of the individual contacted, and a summary of the information received.

5. In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct or to factors that might indicate a reasonable probability of favorable future conduct or financial prospects. For example:
 - a. Evidence of rehabilitation.
 - b. Evidence of the applicant family's participation or willingness to participate in social services or other appropriate counseling service programs and the availability of such programs.
 - c. Evidence of the applicant family's willingness to attempt to increase family income and the availability of training or employment programs in the locality.
 - d. In the case of applicants whose capacity for independent living and discharge of lease obligations is in question, the resources actually available in support of the family, such as visiting nurses, homemakers or Live-In caretakers.
6. An otherwise ineligible handicapped applicant shall be eligible for admission if the problem resulting in the ineligibility can be addressed through reasonable accommodations.
7. Tenancy at properties for elderly and/or handicapped persons will be based upon the applicant's ability to live independently or to live independently with limited supportive services.
8. The Housing Authority will not unnecessarily segregate individuals with handicaps to particular areas or developments. The Housing Authority will provide assistance to enable all individuals with handicaps to meet legal requirements; for example, the Housing Authority could provide interpreters, Braille or taped versions of leases, recertifications and other legal documents, whatever is appropriate.
9. In the event an individual is refused housing based on one or more of the above screening criteria, he/she may request an informal hearing or appeal to the Executive Director in writing.

SCREENING

1. Under section 575 of the Quality Housing and Work Responsibility Act of 1998, the Housing Authority may require, as a condition of providing admission to the Housing Authority, that each adult member of the household provide a signed, written, authorization for the Housing Authority to obtain records regarding such member of the household from the National Crime Information Center, police department, and other law enforcement agencies.
2. Under section 578 of the Quality Housing and Work Responsibility Act of 1998, the Housing Authority may require, as a condition of providing admission to the Housing Authority, that each adult member of the household provide a signed, written, authorization for the Housing Authority to obtain records from state and local agencies to determine whether an applicant is subject to a lifetime registration requirement under a state sex offender registration program.

Before an adverse action is taken with respect to an applicant for occupancy on the basis that an individual is subject to a lifetime registration requirement under a state sex offender registration program, the Housing Authority shall provide the applicant with a copy of the registration information and an opportunity to dispute the accuracy and relevance of that information.

3. Under section 575 of the Quality Housing and Work Responsibility Act of 1998, the Housing Authority, notwithstanding any other provision of law other than the Public Health Service Act (42 USC 201 et seq), may require each person who applies for admission to the Housing Authority to sign a one or more forms of written consent authorizing the Housing Authority to receive information from a drug abuse treatment facility that is solely related to whether the applicant is currently engaging in the illegal use of controlled substances. In a formal written consent, the Housing Authority shall request only whether the drug abuse treatment facility has reasonable cause to believe that the applicant is currently engaging in the illegal use of a controlled substance.

The Housing Authority shall make an inquiry to a drug treatment facility if the Housing Authority receives information from the criminal record of the applicant that indicates evidence of prior arrest or conviction or the Housing Authority receives information from the records of prior tenancy of the applicant that demonstrates that the applicant engaged in the destruction of property, engaged in violent activity against another person, or interfered with the right of peaceful enjoyment of the premises of another tenant.

The applicant's signed written consent shall expire automatically after the Housing Authority has made a final decision to either approve or deny the applicant's application for admittance to public housing.

The term "currently engaging in the illegal use of a controlled substance" means the illegal use of a controlled substance that occurred recently enough to justify a reasonable belief that an applicant's illegal use of a controlled substance is current or that continuing illegal use of a controlled substance by the applicant is a real and ongoing problem.

6. Conditions for Denial

- a. The applicant or resident currently owes rent or other amounts to PHA or to another agency in connection with Section 8 or Public Housing Program.
- b. The applicant has committed any fraud in connection with any federal housing assistance program.
- c. The applicant has violated any Family obligation under any Section 8 Existing Program as stated on the Certificate of Family Participation or Housing Voucher.
- d. The applicant has breached an “Agreement to Repay” any monies due the Housing Authority. If the applicant owes money as a prior participant, the applicant will not be accepted, nor placed on the waiting list, until payment in full has been received.
- e. The applicant has an unacceptable Police Record wherein the applicant or any member of the household who has attained the age of 18 has within the past five years been convicted of a crime or has a history of criminal activity that would jeopardize the health, safety, and welfare of the community. Examples of unacceptable behavior includes, but is not limited to violent behavior, confirmed drug or alcohol addiction or abuse, grossly unsanitary or hazardous housekeeping, history of disturbance of neighbors, destruction of property, or other disruptive or dangerous behavior of any family member regardless of age
- f. INS Denial

Assistance to applicant shall be denied in accordance with the procedures for any of the following events:

- (i) Evidence of citizenship (i.e. the Declaration) and eligible immigration status is not submitted by the date specified or by the expiration of any extension granted; or,
- (ii) Evidence of citizenship and eligible immigration status is submitted on a timely basis, but INS primary and secondary verification does not verify eligible immigration status of all family members; and,
 - (a) The family does not pursue INS appeal or Housing Authority informal hearing rights; or,
 - (b) INS appeal and Housing Authority informal hearing rights are pursued, but the final appeal or hearing decisions are decided against the family member.

RECORDS MANAGEMENT AND CONFIDENTIALITY

1. Records Management

- a. All records obtained for the purpose of applicant screening shall be maintained confidentially and in accordance with section 543 of the Public Health Service Act (12 USC 290dd-2) to ensure that the records are not misused or improperly disseminated and are properly destroyed.
- b. All records obtained for the purpose of applicant screening shall be:
 - (i) Maintained in the applicant file in a locked file cabinet.
 - (ii) Destroyed no less than five (5) business days after the date on which the Housing Authority gives final approval for an application for admission.
 - (iii) Destroyed in a timely manner if the Housing Authority denies the application and the date on which the statute of limitations for the commencement of a civil action from the applicant based upon that denial of admission has expired.

2. Confidentiality

The Housing Authority receiving information for the purpose of applicant screening shall not be disclosed to any person who is not an officer, employee, or authorized representative of the Housing Authority and who has a job-related need to have access to the information in connection with admission of applicants, eviction of residents, or termination of assistance. For judicial eviction proceedings, disclosures may be made to the extent necessary.

Any officer, employee, or authorized representative of the Housing Authority who knowingly and willfully requests or obtains any information concerning an applicant for, or tenant of the Housing Authority, under false pretenses, or any officer, employee, or authorized representative of the Housing Authority who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and such to the fines of the state.

Any applicant or resident of the Housing Authority affected by negligent or knowing disclosure of information referred to in this subsection about such person by an officer, employee or authorized representative of the Housing Authority, which disclosure is authorized by this subsection, or any other negligent or knowing action that is inconsistent with this subsection, may bring a civil action for damages and such other relief as may be appropriate against the Housing Authority. The district court of the United States in the district in which the affected applicant or resident resides, in which such unauthorized action occurred, or in which the officer, employee, or representative alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters.

VERIFICATION OF INCOME AND CIRCUMSTANCES

No applicant family shall be admitted to public housing without thorough verification of income, family composition and all other factors pertaining to the applicant's eligibility, rent, unit size and type, priority rating, etc. The same type of verifications are required to process any interim or annual reexamination for public housing residents. Complete and accurate verification documentation shall be maintained for each applicant and resident. Such documentation may include, but is not limited to, the following:

1. Letters or other statements from employers and other pertinent sources giving authoritative information concerning all items and amounts of income and deductions, together with other eligibility and preference determinations;
2. Third party verification forms supplied by the PHA and returned properly completed by employers, public welfare agencies, etc.;
3. Originals, photocopies, or carbon copies of documents in the applicant's possession which substantiate his statements, or a brief summary of the pertinent contents of such documents signed and dated by the staff member who viewed them. Such documents must be within 60 days current. No determinations will be made based upon information/documents more than two (2) months old;
4. Statements from self-employed persons, and from persons whose earnings are irregular, such as salesmen, etc., sworn to before a Notary, setting forth gross receipts, itemized expenses and net income (expenses incurred for business expansion or amortization of capital indebtedness are to be included in net income);
5. Memoranda of verification data obtained by personal interview, home visit, telephone, or other means, with source, date received, name and title of person receiving the information clearly indicated, and a summary of information received;
6. Certified birth certificates, or other substantial proof of age, to support claims to the various entitlements in these policies for each member of the household;
7. Proof of disability, or of physical impairment, if necessary to determine the applicant's eligibility as a family or entitlement to consideration under the criteria established in these policies, provided in written form by the appropriate government agency;
8. Statements from landlords, family social workers, parole officers, court records, drug treatment centers, clinics, physicians, Illinois Department of Law Enforcement, county sheriff's department or police departments, where warranted in individual cases;
9. Receipts for utility services;
10. For households reporting "zero" income, HA will require statements and verification from parties who are identified as providing non-cash contributions such as groceries and clothing;
11. When verification cannot be accomplished by either form of third party verification or review of documents, the applicant/resident will be required to submit a notarized statement. Where a

notarized statement has been accepted for income determination purposes, the family will be apprised of the requirement to undergo and re-exam every **XX** months (at PHA's discretion).

12. Verification of Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by federal regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending.

- a. Citizens or Nationals of the United States. A signed declaration of U.S. citizenship under penalty of perjury.
- b. Eligible Immigrants who were Participants and 62 years of age or over on June 19, 1995. A signed declaration of eligible immigration status and provide proof of age.
- c. Noncitizens with eligible immigration status. A signed declaration of status and verification consent form and original immigration documents which are copied front and back and returned to the family. The PHA will verify the status through the INS SAVE system. If this primary verification fails to verify status, the PHA will request within ten (10) days that the INS conduct a manual search.
- d. Ineligible family members who do not claim to be citizens or eligible immigrant must be listed on a statement of ineligible family members signed by the head of household or spouse.
- e. Noncitizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification. For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as the final verification other factors of eligibility. For participants, it is done at the first regular recertification after June 19, 1995. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated.

Extensions of Time to Provide Documents. Extensions must be given for persons who declare their eligible immigration status but need time to obtain the required documents. The length of the extension shall be based on individual circumstances. HA will allow up to sixty (60) days to provide the document or receipt issued by the INS for issuance of replacement documents.

Acceptable Documents of Eligible Immigration. The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)

Alien Registration Receipt Card (I-151)

Arrival-Departure Record (I-94)

Temporary Resident Card (I-688)

Employment Authorization Card (I-688B)

Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified.

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

13. The Housing Authority shall require the family head and other such family members as it designates to execute a HUD-approved release and consent authorizing any depository or private source of income, or any Federal, state, or local agency to furnish or release to the PHA and to HUD such information as PHA or HUD determines to be necessary. Because eligibility for Federal Housing Assistance is not based on a "declaration system" but upon verification of actual income and family circumstances, the Housing Authority is not limited to verification of data supplied by applicants or residents. Failure of an applicant to cooperate with the Housing Authority in obtaining verifications will result in the application being declared incomplete and inactive. A tenant who fails to cooperate or to release information may be evicted. In addition, interim rent reductions will not be made for residents until after receipt of all required verifications. In consideration of the privacy rights of residents and applicants, the Housing Authority shall restrict its requests to those matters of income, family composition and other family circumstance which are related to eligibility, rent, unit size and type, admission priority rating, or other lawful determinations made by the Housing Authority. If the verified data as listed in this policy are not more than two months old at the time an applicant is selected for admission, and the applicant certifies by written statement that no change has occurred in his status, the data will be considered as reflecting the applicant family's status at the time of admission. If data are more than two months old, all factors are to be re-verified and findings recorded. As part of the application record of each applicant determined to be eligible for admission, the admitting officer or his supervisor shall certify that an investigation has been made of such family and that on the basis of this investigation, it has been determined that the applicant and his family meet all the conditions governing eligibility. The PHA must obtain third party documentation by sending out requests for documentation.

14. Special verification requirements for phase-in rents

All residents who desire to claim an earned income exclusion under the phase-in rent policy, must report the new earned income or increased income within 10 days after they begin. Failure to accurately and promptly report changes in employment or increased income (or other changes in income or family circumstances affecting eligibility for the same) will result in denial or loss of the earned income exclusions. If such failure results in the resident paying lower rent than he/she would have otherwise been required to pay, the resident is subject to the same penalties for any other failure to report income, including retroactive rent. Residents qualifying under the phase-in rent program must report all changes in income within 10 days after they occur.

In addition to such other verification as the Housing Authority shall require any resident or applicant claiming an earned income exclusion to supply documentation in a form prescribed by the Housing Authority from employers and social services agencies, as applicable.

No resident or applicant is automatically entitled to an earned income exclusion. Determination of the eligibility for the earned income exclusion is the sole responsibility of the Housing Authority. Notwithstanding the above, it is the responsibility of the resident/applicant to supply the complete and accurate information which the Housing Authority requires to make an eligibility determination.

In the event that the Housing Authority determines that the information supplied by the resident and/or training agency is not adequate to determine eligibility, the Housing Authority may require additional information beyond that originally submitted. No exclusions will be granted until all required information is obtained and verified.

An adverse decision on the eligibility of an existing resident for an earned income exclusion may be appealed through the resident grievance procedure (subject to limitations of that procedure, especially as they pertain to the inapplicability of the procedure to policy issues), but the Housing Authority shall not be liable for any retroactive payments due to reversal of an initial determination.

As with other interim rent changes, any reduction in rents which result from the application of this policy shall be effective on the first day of the month following that month in which the eligibility for the deduction is determined. The Housing Authority shall not be liable for retroactive reductions if the resident fails to report the change within the required time period.

Rent increases resulting from expiration of the phase-in disallowance period provided under the earned income exclusion, are effective on the first day of the following month. All other rent increases resulting from the application of this policy, are implemented in the same manner as other increases resulting from changes in income or benefits. If the resident complies in an accurate and timely manner with all reporting requirements, (including requirements to report any changes in training or employment status which affect eligibility for exclusions) any increase in rent will be effective on the first day of the second month after the income changes are reported. Failure to meet reporting requirements will result in rent increase retroactive to the date the change actually took place.

15. Summary of Verified Data: A summary of verified information shall be prepared upon receipt of all required verification documentation and shall include the following determinations:
 - a. Eligibility -- the applicant meets the definition of Family as defined in this policy and income is within the appropriate income limits for admission.
 - b. Date and time of completed application
 - c. Size of unit needed by family
 - d. Income Exclusions and Rent to be paid

DETERMINATION AND NOTIFICATION OF ELIGIBILITY

1. As soon as possible after receipt of an application, the Housing Authority will determine the applicant family's eligibility for public housing in accordance with the provisions of this policy, and will determine whether a preference exists. In the event an applicant family is determined to be eligible, the family shall be placed on the waiting list, and informed of the time estimated before an offer of a dwelling unit will be made. If this period is estimated to be longer than one year, the applicant family shall be informed of this fact.

The PHA must communicate to the applicant an estimate of how long a wait it will be. Typically this is done in writing.

2. Apparently eligible applicant families will be notified that its eligibility determination is tentative in nature, being largely based on declarations made by the applicant family, and is subject to further reviews prior to admission. Applicants are advised that they may be housed within an estimated 90 days.
3. In the event an applicant family is determined to be ineligible, it shall also be informed in writing of the basis for this determination. An applicant family does not have the right to use the Tenant Grievance Procedure, but will be given, upon request, the opportunity for an informal hearing to present such facts as it wishes. The applicant family will be advised that should an informal review be desired, a written request to this effect must be received by PHA within 10 working days of the date of the notification of ineligibility.
4. Thorough investigation of each application will be conducted during the Tenant Interview. Eligibility will be verified by the PHA staff within the provisions of this policy. The Tenant Interview will be conducted at the time that the application is submitted for review.
5. Applicants denied a preference shall be notified in writing about the denial. The notice shall contain a brief statement of the reason(s) for the determination and state that the applicant has a right to meet with a representative of the Housing Authority to review the determination.
6. In all cases, the Housing Authority reserves the right to withdraw any determination of eligibility, tentative or otherwise, when additional information indicates that the prior determination was inappropriate.
7. Informal Review
 - a. If a request for a review is received within the specified ten (10) day period, PHA will notify the applicant, in writing, of the scheduled time and date of review.
 - b. The Executive Director, or designer, is the Review Officer who will conduct the informal review.

The applicant will be apprised that they may be represented by legal counsel or other representative at his/her own expense.

- d. The PHA will present factual or other basis for its decision. The applicant may also present his/her position. Subject to the direction of the Review Officer, the applicant and the Housing Authority may offer and examine evidence and question any witnesses.
- e. The Review Officer will issue a written decision, stating the facts and/or other basis for the decision. The decision or any other issue of fact will be based solely upon evidence presented at the hearing. A copy of the decision will be furnished to the applicant.
- f. The PHA will not be bound by a decision of the Review Officer where it is determined that the Officer exceeded his/her authority or has made a determination which is inconsistent with HUD regulations, federal statute, or state or local law that imposes obligations on applicants or residents.
- g. The record of such review/determination will be maintained by the Housing Authority's Application Office.

OCCUPANCY STANDARDS

To avoid overcrowding and prevent wasted space, units are to be leased in accordance with the occupancy standards set forth below. If there should be a dwelling unit that cannot be filled with a family of appropriate size, after all possible efforts have been made to stimulate applications, a family eligible for the next smaller size unit may be offered this unit. This shall be with the understanding that the family is subject to later transfer to a unit of the proper size.

1. The following system will be used as a guide to determine proper bedroom size for each applicant and resident:
 - a. The head of each household and his/her spouse (unless medical reasons dictate) are assigned to one bedroom.
 - b. Persons of different generations, persons of the opposite sex (other than spouses) and unrelated adults will not be required to share a bedroom.
 - c. Children, with the possible exception of infants, will not be required to share a bedroom with a person of different generations, including their parents.
 - d. All remaining family members are assigned to bedrooms on the basis of two of the same sex to a bedroom (unless children are under the age of six).
 - e. At the option of the parent and written consent of the head of household, and providing such occupancy does not contradict the dwelling unit maximum occupancy standards, children of opposite sex beyond the age of six (6) and up to age ten (10) may share a bedroom.
 - f. If necessary for continued occupancy and/or admission, an infant up to the age of two (2) years could share a bedroom with a parent.
 - g. Foster children are normally included in determining unit size.
 - h. A live-in care attendant who is not a member of the family will not be required to share a bedroom with another member of the household.
 - i. Space may be provided for a child who is away at school but who lives with the family during school recesses.
2. Notwithstanding the above, the Housing Authority may lease one bedroom apartments to a single parent with a child provided that neither of the following two events will or are expected to occur within the next nine (9) months:
 - a. That the child sharing the parent's bedroom will turn three (3) years old; and/or
 - b. That the mother is expecting another child.

3. Upon admission, bedrooms shall be occupied by not more than two persons. For continued occupancy, exceptions to this requirement may be waived based on existing conditions affecting family members. These conditions may include one or more of the following:
 - a. Relationship of family members to one another;
 - b. Ages of household members;
 - c. Sex of persons to occupy the unit;
 - d. Handicap; or
 - e. Other individual circumstances.
4. Units shall be assigned so as not to require the use of the living room for sleeping purposes.
5. The following standards regarding the minimum and maximum number of persons who will occupy a unit will be applied within the restraints of financial solvency and program stability. The PHA will also assign units based on the type of unit needed by the individual applicant or applicant family. This refers primarily to the family's ability to use stairs or their status as an elderly family. When it is found that the size of the dwelling is no longer suitable for the family in accordance with these standards, the family will be required to move as soon as a dwelling of appropriate size becomes available. These families will be transferred in accordance with the Transfer Policy. In the situation where a tenant requires a different size dwelling unit and the tenant has either an outstanding balance, a history of poor housekeeping standards or destruction of property, or has not been a desirable tenant the tenant will be deemed ineligible for transfer and will be referred for termination.

<u>Number of Bedrooms</u>	<u>Number of Persons</u>	
	<u>Min</u>	<u>Max</u>
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	5	10

APPLICANT SELECTION AND ASSIGNMENT PLAN

1. Applicant Ranking

Applications will be filed and selected by unit type and size and by date and time of application. If an applicant claims a preference, they are considered to be a priority applicant. Applicants who claim no preference are considered to be non-priority applicants.

2. Preferences

The Montgomery County Housing Authority gives preference to victims of domestic violence. Otherwise, all applicants will be served on a “first come, first serve” basis.

3. Waiting List

a. Housing Authority-Wide Waiting List

The Housing Authority-wide waiting list will be ordered as follows:

- (i) By unit type (regular, elderly, special handicapped) and in unit size by bedrooms.
- (ii) Within the priorities above, by date and time of application.

4. Waiting List Skipping

The Housing Authority may skip a higher-income eligible applicant family to the top of the waiting list if a dwelling unit in a development becomes vacant and the development requires a lower income family to meet the Housing Authority’s income targeting goals.

The Housing Authority may also skip a lower-income eligible applicant family to the top of the waiting list if a dwelling unit in a development becomes vacant and the development requires a higher income family to meet the Housing Authority’s income targeting goals.

5. Updating of the Waiting List

The Housing Authority shall update the waiting list annually in order to maintain the most current information. Applicants will be requested to provide the Housing Authority with updated information through writing. Applicants who do not respond to the request to update shall be removed from the waiting list. If the applicant’s failure to respond was due to the applicant’s disability, the Housing Authority shall provide reasonable accommodations to give the applicant an opportunity to respond.

6. Applicant Selection and Assignment

The PHA will select applicants for participation without discrimination based on race, color, sex, creed, or national origin nor deny any family or individuals the opportunity to apply for assistance under the Low-Rent Housing Program. Neither will the PHA discriminate because of religion, age,

physical handicap, pregnancy, parenthood, nor marital or veteran status.

The selection of residents for occupancy of available units will be in conformance with all HUD guidelines and regulations and applicable Fair Housing and Equal Opportunity Requirements.

7. Special Use Dwelling Units

- a. When a unit that meets a specific need (e.g., a unit designed to accommodate a handicapped tenant requiring the use of a wheelchair) becomes available, that unit will be offered first to a current occupant of another unit managed by the Housing Authority having handicaps and requiring the accessibility features of the vacant unit. If no such occupant exists, the unit will be offered to the next eligible applicant on the waiting list requiring that special unit. If there are no applicants on the waiting list needing a specially designed unit, the unit will then be offered to those eligible qualified applicants in their normal sequence.
- b. Elderly applicants will be given preference for units designed specifically for elderly occupancy. Near Elderly Single Persons will be given preference over Non-Elderly Single Persons for units designed specifically for elderly occupancy.

8. Dwelling Unit Offers

The PHA can make a unit offer in any development. If this unit is rejected, the applicant is removed from the waiting list and may reapply after 90 days of rejecting a unit offer.

When the applicant is matched to the specific unit, that dwelling unit becomes "unrentable" until the offer is made and accepted or rejected. In order to reduce vacancy loss, it is necessary that processing from this point move as quickly as possible. To that end, the following conditions shall apply to dwelling unit offers:

- a. As an applicant moves near the top of the waiting list, the Housing Authority will contact the applicant family to determine continued interest, to update the application for final processing, to alert the applicant that an offer is likely in the near future, and to inform the applicant about the requirements for move-in, such as utility deposits, security deposits, etc.
- b. Upon availability for occupancy, an applicant will be offered a unit.
- c. Upon offer of an apartment, the applicant shall have five (5) days to accept or reject the apartment. An additional business day may be granted if necessary to allow the applicant to inspect the apartment. Failure to give an answer within the prescribed time period shall be counted as rejection of the offer.
- d. Upon acceptance of the offer, the applicant will then be assigned a deadline for move-in. Before the end of this period, the applicant must complete all outstanding pre-occupancy requirements, such as joint HQS unit inspection, establishment of utility services, leasing interview, and lease execution. Failure to complete move-in requirements within the assigned period will result in withdrawal of the offer and inactivation of the application.

9. Unit Refusals

- a. Applicants will be made one (1) offer of a unit of appropriate size and type. Should the family reject the offer, the family may reapply for assistance after 90 days.
- b. Upon reapplication and eligibility determination, such an applicant would be made an offer in accordance with the provisions of this policy. Upon refusal of one such offer, including any in neighborhoods previously refused, the applicant shall again be removed from the waiting list.
- c. When an applicant refuses an offer of an apartment, his/her name shall be removed from the waiting list, unless the applicant can document that a move at that time would create an undue hardship on the family which is **NOT** related to race, creed, sex, national origin, religion, handicap or familial status.

Applicants not responding to an offer of housing by the PHA shall be ruled ineligible and their application will be placed in the inactive/ineligible file and so documented.

- e. An applicant will have three (3) business days to accept or reject an offer of housing after receipt of notice of unit availability. Failure to respond to a notice of unit availability will be treated as a no response.

FLAT RENTS

In accordance with QWHRA, the PHA has established the following Flat Rents effective October 1, 1999.

PROJECT No.	COMMUNITY NAME	0 BR	1 BR	2 BR	3 BR	4 BR
037-002	KIRK TERRACE	\$151	\$183	\$216	\$270	\$302
037-003	LONG HOMES	\$151	\$183	\$216	\$270	\$302
037-005	HULL HOMES	\$141	\$171			
037-006	ASH ARNETT	\$141	\$171	\$201		
037-007	CARLOCK HOMES	\$141	\$171			
037-008	COBETTO HOMES	\$141	\$171			
037-009	HUBER HOMES	\$141	\$171			
037-010	STEWART HOMES	\$141	\$171			
037-011	GRAHAM REINEKE	\$141	\$171			

LEASING OF DWELLING UNITS

1. Lease Agreement

- a. The head of the household/spouse and all adult household members age 18 years and older of each family accepted as a tenant are required to execute a lease agreement in such form as the Housing Authority shall require prior to actual admission. One copy of the lease will be given to the lessee and the original will be filed as part of the permanent records established for the family.

The head of household according to the Lease will be legally responsible for the family unit and will be held liable for the conduct of the family members and guests and for the needs of the family.

- b. Each lease shall specify the unit to be occupied, the date of admission, the size of the unit to be occupied, all family members who will live in the unit, the rent to be charged, the date rent is due and payable, other charges under the lease, and the terms of occupancy. It shall be explained in detail to the head of household or other responsible adult before execution of the lease.
- c. The lease shall be kept current at all times. If a resident family transfers to a different unit in the same or another PHA community, the existing lease will be canceled. A new lease will be executed by the head of household for the unit to which the family is to move.

If any other change in the resident's status results in the need to change or amend any provisions of the lease, or if the PHA desires to waive a provision with respect to the resident, (1) the existing lease is to be canceled and a new lease executed, or (2) an appropriate rider is to be prepared and executed and made a part of the existing lease.

- d. Certain documents are made part of the dwelling lease by reference. These include, but are not limited to, the Admissions and Continued Occupancy Policy (ACOP) and the Grievance Procedure.
- e. Cancellation of a tenant's lease is to be in accordance with provisions of the lease. Generally, the lease shall not be canceled or not renewed except for serious or repeated violations of its terms by the tenant. Written records shall be maintained containing the pertinent details of each eviction.
- f. Live-in Caretakers, as defined in Section B, will not be party to the lease nor will the Caretaker's income be taken into consideration in the calculation of resident rent. Families requiring Live-in-Caretaker assistance must have such assistance approved by the PHA prior to the Caretaker's occupancy in the dwelling unit. In the event that the family vacates the unit, the Caretaker will be required to vacate as well. In no case will the Caretaker be considered the remaining member of the tenant family.

2. Security Deposit

The resident shall provide the Housing Authority prior to occupancy with a security deposit as designated in the Lease Agreement.

Security deposits shall be returned to the tenant within 30 days after vacating the premises if all terms, covenants, and conditions of the lease have been fully performed; or a letter of Disposition explaining why the Housing Authority is withholding the security deposit will be sent.

ADMISSION OF ADDITIONAL MEMBERS TO A CURRENT HOUSEHOLD

1. Purpose - Population in excess of the number of persons for which a neighborhood or unit was designed is often the cause of many serious management problems including crime, vandalism, excessive maintenance costs, and low tenant satisfaction. It is with this in mind that this section of this ACOP is established.
2. Application Procedure - The resident of a household that wishes to add additional members to their household must first submit a written application, in the form prescribed by management, for approval by the Executive Director or his/her designee.
3. Eligibility Criteria:
 - a. All new member(s) must be determined eligible in accordance with Part C eligibility criteria.
 - b. The unit in which new members are requesting admission shall not be overcrowded and shall be maintained in accordance with Part C, Occupancy Standards.
4. Application Denial. The PHA may deny the application for any of the following reasons:
 - a. Applicant(s) do not meet Eligibility Criteria as outlined in Part C.
 - b. The dwelling unit is overcrowded or would exceed the Occupancy Standards as outlined in Part C.
 - c. Applicant(s) do not meet the criteria for family as established in Part B.
 - d. Applicant(s) are former members of resident family and have since become emancipated and are attempting to re-enter household for support or other reasons.
 - e. Other reasons as determined from time to time by the Executive Director.
5. Additions which do not require approval of the applications. The PHA shall not deny approval for any of the following:
 - a. Newborn infants of members currently on the lease.
 - b. Minor children of members currently on the lease who were removed from their care by court action and are being returned.
6. House Guests. Dwelling units are adequate in size for the resident family only, and house guests staying with the family for a period in excess of 14 consecutive days shall be permitted only upon advance written consent of the Housing Manager.

**APPROVAL PROCESS FOR RESIDENTS REQUESTING PERMISSION TO OPERATE
A BUSINESS IN THE UNIT**

Prior to making a determination the resident shall request the PHA's permission in writing and include in the request a complete outline of business activities and other data as may be requested by the PHA. When a resident desires to operate a legal profit making business from the leased unit, the PHA shall use the following factors in determining whether or not such activities are incidental to the primary use of the lease unit:

- a. Local Building health codes, requirements for license or governmental approval;
- b. Local Zoning Ordinances;
- c. The effect on PHA Insurance Coverage;
- d. Utility Consumption;
- e. Possible Damage to the leased unit;
- f. Estimated traffic and parking;
- g. Disturbance of other residents;
- h. Attraction of non-residents to the neighborhoods; and,
- i. Possible use of tenant business as a cover for drug-related activities.

SPECIAL OCCUPANCY PROVISIONS

1. Occupancy by police officers

The Housing Authority may allow a police officer (s) who is not otherwise eligible for residence in public housing to reside in a Housing Authority dwelling unit for the purpose of increasing security for residents of the Housing Authority.

A “police officer” means any person determined by the Housing Authority to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a federal, state, or local government or by any agency thereof.

Terms and conditions of tenancy

The Housing Authority shall make known to federal, state, city and county law enforcement agencies within the Housing Authority’s jurisdiction of the Housing Authority’s policy to allow police officers to reside in a public housing dwelling unit. Police officers will be required to submit proof of family size and proof of full-time employment as a police officer. The police officer will be charged ceiling or flat rent for the unit. The police officer(s) will be required to sign a dwelling lease and will be bound by the provisions of the lease. Family composition and proof of employment will be re-examined not to exceed 12 months of occupancy of the unit. Loss of status of full-time employment as a police officer will result in an interim re-examination to determine income eligibility. If the resident does not meet income eligibility requirements following loss of full-time employment as a police officer, the resident will be issued a notice to vacate the unit.

Police officer(s) will be assigned vacant units within the developments stipulated above. If the development(s) is/are 100% occupied, and a police officer has completed the required paperwork for occupancy of a dwelling unit, the next available dwelling unit in the target developments will be offered to the police officer. Current residents will not be required to vacate units for occupancy by police officers unless the resident agrees to move and there is a comparable unit available for the family. In such a case, the Housing Authority will pay moving expenses for the family.

2. Occupancy by over-income families

On a month-to-month basis, the Housing Authority may lease a dwelling unit in a public housing development to an over-income family, but only if there are no eligible families applying for housing assistance for that month and the Housing Authority provides not less than 30-day public notice of availability of such assistance.

The term “over-income family” means an individual or family that is not a low-income family at the time of initial occupancy.

The number and location of units occupied by over-income families shall be determined by development on an as needed basis.

Terms and conditions of tenancy

Rent for a unit will be in an amount that is not less than the cost to operate the unit.

If an eligible family applies for residence after an over-income family moves in to the last available unit, the over-income family will vacate the unit in accordance with notice of termination of tenancy provided by the Housing Authority, which will be provided not less than 30 days before such termination.

If a unit is vacant and there is no one on the waiting list, the Housing Authority may allow an over-income family to gain immediate occupancy in the unit, while simultaneously providing reasonable public notice and outreach with regard to availability of the unit.

An over-income family will be required to sign the Housing Authority's dwelling lease and will be bound by the provisions of the lease.

Proof of income and family composition will be reexamined not to exceed 12 months of occupancy of the unit. Loss of income will result in an interim re-examination to determine income eligibility. If the family becomes an income eligible family, the family's rent will be calculated based on income.

HOUSING AUTHORITY

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

Part D

CONTINUED OCCUPANCY

ELIGIBILITY FOR CONTINUED OCCUPANCY

There is to be eligible for continued occupancy in the PHA communities only those residents:

1. Who qualify as a family as defined by federal requirements and this policy (see definition in Part B).
2. Who conform to the Occupancy Standard established for lower income housing (see Part C).
3. Whose past performance in meeting financial obligations, especially rent, and other charges, is satisfactory; and
4. Whose family members have no record of disturbance of neighbors, destruction of property, unsafe living habits, unsanitary housekeeping practices, substance abuse, or any other history which may be reasonably expected to adversely affect:
 - a. The health, safety, or welfare of other residents
 - b. The peaceful enjoyment of the neighborhood by other residents
 - c. The physical environment and fiscal stability of the neighborhood.
5. Whose family does not have a record of grossly unsanitary or hazardous housekeeping. This includes the creation of fire hazard through acts such as the hoarding of rags and papers; severe damage to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage improperly; or serious neglect of the premises. In cases where a qualified agency is working with the family to improve its housekeeping and the agency reports that the family shows potential for improvement, a decision as to the eligibility shall be reached after a referral with the Executive Director or his/her designee. This category does not include families whose housekeeping is found to be superficially unclean or lacks orderliness, where such conditions do not create a problem for the neighbors.
6. Who have not been involved in drug related or criminal activity.
7. Who have not been convicted of a crime.
8. Who are not currently engaging in the use of controlled substances and/or engaging in alcohol abuse.
9. Who is not subject to a lifetime registration requirement under the state sex offender registration program.
10. Who meet the requirements for community service or participation in self-sufficiency programs.

Who continues to occupy the apartment on a full time basis. Ownership or occupancy of another dwelling unit or failure to occupy the unit for a period greater than thirty days shall be grounds for

- termination of the lease.
12. Who are, with the aide of such assistance as is actually available to the family, physically and mentally able to care for themselves and their apartment and to discharge all lease obligations. Remaining member(s) of a resident family may be permitted to remain in occupancy provided that the Housing Authority, in its sole judgment, determines that the remaining person(s) is (are):
- a. Otherwise eligible for Continued Occupancy, and

Capable of carrying out all lease obligations, including but not limited to rent payment, care of the apartment, and proper conduct, and
 - c. Willing to assume all lease obligation of the prior leaseholder, including all payments under the lease, and
 - d. Legally competent to execute a lease in his (their) own name.
13. In the event of the receipt of unfavorable information, consideration will be given to the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct or financial prospects. For example:
- a. Evidence of rehabilitation as verified by a duly qualified professional or representative of state or local government;
 - b. Evidence of the family's participation in, or willingness to participate in, social services or appropriate counseling service programs and the availability of such programs;
 - c. Evidence of the family's willingness to attempt to increase family income and the availability of training or employment programs in the locality.
14. Citizenship/Eligible Immigration Status
- In order to remain eligible for continued occupancy, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the six immigrant categories as specified by HUD. For the Citizenship/Eligible Immigration requirements the status of each member of the family is considered individually before the family's status is defined.
- a. Mixed Families: A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed". Such families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.
- No eligible members: Families that include no eligible members will be ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.
- c. Non-citizen students: Defined by HUD in the noncitizen regulations and are not eligible for assistance.

INSPECTIONS AND REEXAMINATIONS

INSPECTIONS

1. Move-In Inspections

Prior to occupancy, a representative of the participant family and of the PHA maintenance staff will accomplish a physical inspection of the dwelling unit. The maintenance or management staff representative will demonstrate to the family representative the operation of the unit appliances and fixtures.

The condition of the dwelling unit will be recorded on an inspection form provided by PHA. The inspection form will be signed by the family representative and the PHA representative. Any repairs noted will be effectuated prior to occupancy if the repairs are of such a nature that occupancy of the unit either (1) cannot occur, or (2) the unit in its present condition is unacceptable to the family. If the repairs to be effectuated do not prohibit occupancy by the participant family, and is acceptable to the family in its current condition, such repairs will be completed within thirty (30) days of move-in. A copy of the completed inspection form will be provided to the participant family and a copy will be retained in the family's occupancy file.

2. Housing Quality Standards (HQS) Inspections

The Housing Authority shall maintain its public housing properties in a condition that complies with standards that meet or exceed the housing quality standards established by HUD. Such housing standards shall ensure that dwelling units are safe and habitable.

The Housing Authority shall make an annual inspection of each public housing development to determine whether units in the development are maintained in accordance with the Secretary's requirements, as well as spot inspections where there exists a threat to health and/or safety. The Housing Authority shall retain the results of such inspections and, upon request of the Secretary, the Inspector General for the Department of Housing and Urban Development, or any other auditor conducting an audit under section 5(h), shall make such results available.

HQS inspections shall be conducted using the PHA's forms and shall document unreported maintenance problems and verify if the unit is being kept in a decent, safe, and sanitary manner. Copies of the inspection(s) will be provided to the family, noting any deficiencies to be corrected by the family or the PHA. Where the family has been advised to take corrective action, the PHA staff will conduct a follow-up inspection within five (5) working days, if such corrective action is of a general nature.

Where the corrective action to be taken is necessary to remedy an immediate threat to health and/or safety, the reinspection will occur within twenty-four (24) hours. Non-compliance by the family can result in termination of tenancy.

3. Move-Out Inspections

Prior to the family vacating a dwelling unit, the family will be encouraged to participate in a move-out inspection along with a member of the PHA staff. The actual move-out inspection will not be conducted until the family has vacated the unit. The condition of the dwelling unit will be recorded on the inspection form utilized for the pre-occupancy inspection of the same dwelling unit, allowing for a comparison of pre- and post occupancy condition comparison. Any claim against the family for tenant caused damages will be based upon this comparison.

Following move-out by the family, renovation and/or redecoration of the dwelling unit as a result of the family's occupancy will be accomplished. Charges for items of repair, renovation, and/or redecoration of the dwelling unit made necessary by abuse, negligence, or deliberate destruction by the family will be assessed against the family's security deposit. Should the security deposit prove insufficient relative to the actual cost of such repairs, PHA management will take any and all actions at its disposal to collect the remaining balance from the family.

REEXAMINATIONS

4. Purpose

Reexaminations of income and family circumstances are conducted for the following purposes:

- a. To comply with the Federal requirements relating to annual reexaminations.
- b. To determine if each family remains eligible for continued occupancy under the terms of the lease and this policy.
- c. To determine if the unit size and type is still appropriate to the family's needs and in compliance with the Occupancy Standards.
- d. To establish the Total Tenant Payment and the tenant rent to be charged to the family.

5. Annual Reexaminations

Annual reexaminations are necessary to comply with the federal requirement that each family, excluding families paying flat rent, have its eligibility reexamined at least every twelve months. Families paying flat rents shall have its eligibility reexamined every three (3) years.

At any time, the resident may report changes in income and family circumstances to obtain an appropriate rent adjustment. Determination of resident rent will be made based upon information collected during the verification process utilizing applicable HUD forms and all appropriate worksheets and rent formulas. Such documents must be at least 120 days current. The family will be notified in writing of any changes in resident rent 30 days prior to the effective rent change.

Failure to complete reexamination is a serious lease violation that will result in termination of tenancy. Failure to complete reexamination includes:

- a. Failure to supply or cooperate in the verification process pertaining to income, family composition and eligibility.
- b. Refusal to properly execute required documents.

6. Special Reexaminations

If at the time of admission, annual reexamination or interim reexamination, it is not possible to make an estimate of Family Income with any reasonable degree of accuracy because:

- a. Family member(s) are unemployed and there are not anticipated prospects of employment; or,
- b. The conditions of employment and/or income are so unstable as to invalidate usual and normal standards of determination; then a Special Reexamination will be scheduled on a date determined by the Housing Authority's estimate of the time required for the family's circumstances to stabilize. If at the time of the scheduled Special Reexamination, it is still not possible to make a reasonable estimate of Family Income, Special Reexaminations will continue to be scheduled until such time as a reasonable estimate of Family Income can be made and the Reexamination completed. Rent determined at special reexaminations shall be made effective the first of the month following the first determination. The Special Reexaminations are not to replace the Annual Reexamination.

7. Interim Reexaminations

Interim reexaminations are performed to allow residents to comply with the dwelling lease requirements to report changes in income and family circumstances. Interim will only be given by the Housing Authority when there is a decrease in income. The income change must be reported in writing within ten (10) days of their occurrence:

- e. All requests for an interim reexamination must be submitted and the reported change verified by the 20th of the month in order for a decrease in rent to be effective the first of the following month. Rent adjustments shall not be made for sporadic changes in income due to irregular work schedules of less than thirty (30) days in duration (e.g. sick days, temporary reduction in hours, etc.). Rent adjustments will be made accordingly:
 - (i) Interim decreases in rent shall become effective the first month following that in which the tenant reported the change except that in the corrections of error. All changes must be reported and verified prior to the 20th day of the month in order for the decrease to be effective the first of the following month.
 - (ii) Interim increases in rent shall become effective the first of the second month following that in which the change occurred.
 - (iii) If it is found that the tenant has misrepresented him/herself on the facts associated with which rent is based so that rent is less than the rent that should have been charged, then the increased rent shall be retroactive to the appropriate date.

- f. The PHA reserves the right to require participating families to undergo an interim reexamination to comply with changes to HUD rules and regulations.

8. Processing Reexaminations

All reexaminations shall be processed under the following conditions:

- a. All data must be verified and documented as required in Part C, Verification. The Housing Authority will NOT adjust rent downward until satisfactory verification is received. Verification must be received by the 20th of the month in order for the decrease to be effective on the first of the following month.
- b. Lease terminations resulting from reexaminations shall be conducted in accordance with the terms of the lease.
- c. Families that are determined to be in an incorrect size or type of unit will be placed on the Transfer List in accordance with the Transfer Policy.
- d. All interim changes in tenant's rent are to be made by a standard "Notice of Rent Adjustment" which shall become a part of the lease. Changes in rent resulting from Annual Reexamination shall be incorporated into the new lease, which shall be executed by the Housing Authority and the tenant or by "Notice of Rent Adjustment".
- e. Interim decreases in rent shall be effective on the first day of the month following the month in which the change was reported in writing and verification is completed to the satisfaction of the Housing Authority, as long as the verification has been completed by the 20th day of the month.
- f. Interim increases in rent are to be made effective on the first day of the month following a thirty (30) day notice period.
- g. If it is found that a tenant has misrepresented or failed to report facts upon which his rent is based so that he is paying less than he/she should be paying, the increase in rent shall be made retroactively to the date that the increase would have taken effect. The tenant may be required to pay within seven days of official notification by PHA, the difference between the rent he has paid and the amount he should have paid. In addition, the tenant may be subject to civil and criminal penalties. Any misrepresentation is a serious lease violation that may result in termination of the lease.
- h. The Executive Director of the Housing Authority, or his/her officially designated representative shall certify on every application for admission or continued occupancy that all claims have been verified and that the determination of the Housing Authority is correct.

TERMINATION OF THE DWELLING LEASE

The Housing Authority shall not terminate or refuse to renew a Lease Agreement other than for serious or repeated violation of the terms of the lease, violation of applicable federal, state, or local law, or other good cause. The Dwelling Lease shall be terminated by the Housing Authority in accordance with applicable HUD Regulations.

1. “Good cause” as used in this Section means serious or repeated violation of material terms of the lease such as failure to make payments due under the lease or to fulfill the Resident obligations set forth in the lease.
2. The Housing Authority may terminate the lease for any occupancy violation of section 576(b) of the Quality Housing and Work Responsibility Act of 1998 (relating to the ineligibility of illegal drug users and alcohol abusers) or the furnishing of any false or misleading information pursuant to section 577 of such Act (relating to termination of tenancy and assistance for illegal drug users and alcohol abusers), or Section 428 relating to the conviction of manufacturing or producing methamphetamine (speed).
3. The Housing Authority may terminate the lease if the Housing Authority determines that the resident is illegally using a controlled substance or whose illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by the Housing Authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
4. The Housing Authority may terminate the lease for any activity by any household member, on or off the premises, that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the Housing Authority.
5. The Housing Authority may terminate the lease for any violent or drug-related criminal activity on or off of the premises of the Housing Authority, or any activity resulting in a felony conviction.

The term “drug-related criminal activity”, for the purpose of this policy, means the illegal manufacture, sale, distribution, use, or possession with intent to sell, distribute, or use of a controlled substance.

The Housing Authority reserves the right to terminate tenancy for criminal activity before or after conviction of the crime.

6. The Housing Authority may terminate the lease for failure to meet community service or participation in self-sufficiency program requirements.
7. The Housing Authority may terminate the lease for failure to pay charges, including late charges or charges for damage to Housing Authority property.
8. The Housing Authority may terminate the lease for lying about material facts in any written Housing Authority statements.

The Housing Authority may terminate the lease for serious or repeated damage or destruction of Housing Authority property.

10. The Housing Authority may terminate the lease for making or keeping a threat to the health or safety of other residents or Housing Authority employees.
11. The Housing Authority may terminate the lease for failure to pay resident purchased utilities.
12. The Housing Authority may terminate the lease for allowing unauthorized guests to remain in the household for more than thirty (30) days per calendar year. PHA management may find that extenuating circumstances exist, however. The Housing Authority will terminate the lease of any resident whose address has been used by an individual other than a member of the household as their address (e.g., driver's license, job application, etc.).
13. Procedure for termination of the Lease shall be as follows:
 - a. The lease may be terminated only for serious or repeated violations of material terms of the lease, such as failure to make payments due under the lease or to fulfill Tenant obligations set forth;
 - b. Repeated late payment which shall be defined as failure to pay the amount of rent or other charges due by the 5th of the month. Four such late payments within a 12 month period shall constitute a repeated late payment;
 - c. Failure to pay utility bills when Tenant is responsible for paying such bills directly to the supplier of utilities;
 - d. Misrepresentation of family income, assets, or composition;
 - e. Failure to supply, in a timely fashion, any certification, release, information, or documentation on Family income or composition needed to process annual reexaminations or interim re-determination's;
 - f. Serious or repeated damage to the dwelling unit, creation of physical hazards in the unit, common areas, grounds or parking area of any project site;
 - g. Criminal activity by Tenant, household member, guest, or other person(s) under Tenant's control, including criminal activity that threatens the health, safety or right to peaceful enjoyment of the Authority's public housing premises by other residents or employees, or any drug-related criminal activity on or off the premises
 - h. Alcohol abuse that the Authority determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
 - i. Weapons or illegal drugs seized in an Authority unit by a law enforcement officer;
 - j. Any fire on Authority premises caused by the tenant, household members or guests action

or neglect

TRANSFER POLICY

Reassignment or transfers to other dwelling units shall be made without regard to race, color, or national origin.

1. Objectives of the Transfer Policy

- a. To fully utilize available housing resources while avoiding overcrowding by insuring that each family occupies the appropriately sized unit.
- b. To facilitate human relocation when required for modernization or other management purposes.
- c. To eliminate vacancy loss and other expense due to unnecessary transfers.

2. Types of Transfers

- a. Authority Initiated - The Housing Authority may at its discretion transfer residents because of an uninhabitable unit, major repairs, or other actions initiated by management for the following reasons. A resident shall not be transferred to a unit that is not decent, safe, and sanitary or that has not met Housing Quality Standards. Additionally, a resident may refuse a proposed transfer for cause, such as the long distance from his/her employer.
 - (i) In the event of a fire, accident or natural disaster that results in the dwelling unit becoming uninhabitable, the resident will be offered alternative accommodations within the neighborhood if a rentable unit in the appropriate size is available. If the appropriate size is not available, the family may be overhoused but placed on the transfer list with the transfer being accomplished at the appropriate time. If no unit is available within the neighborhood, the family may be transferred to an appropriate unit available at another Housing Authority-owned neighborhood. If the move is to a site where residents purchase all or some utilities, the resident will pay the cost of any deposit required by the utility company.
 - (ii) When a resident is transferred because the unit has become uninhabitable, the management of the Housing Authority shall determine the cause of the condition of the unit for the purpose of deciding whether relocation assistance may be offered to the resident and whether the transfer shall be considered permanent. Based on this determination, the following actions will be taken:
 - (a) If the condition of the unit is the fault of the Housing Authority, the resident shall be provided with relocation assistance such as the cartage of household goods, the cost and methods of which are to be determined by management. The resident will normally be offered the opportunity to return to his original unit at his own expense, assuming that the unit can be rehabilitated and is still the appropriate size for the family.

- (b) If the condition of the unit is the fault of neither the Housing Authority nor the resident, as in the case of a natural disaster, the Housing Authority may provide such relocation assistance as management deems appropriate. A transfer to a correctly sized apartment will be considered permanent.
- (c) If the condition of the unit was caused by the resident, his family or guests, no relocation assistance will be provided and the resident may be charged for all damages to Housing Authority property. A transfer to a correctly sized apartment will be considered permanent.
- (iii) If a site requires modernization type work that necessitates vacating apartments, the affected resident will be relocated at the Housing Authority's expense in available vacant units within the Housing Authority. If determined feasible by management, the Housing Authority will attempt to relocate affected residents into vacant units within the site. Other decisions related to modernization transfers will be made by the PHA Board of Commissioners and the Executive Director or his/her designee. The Housing Authority may suspend normal transfer procedures to facilitate modernization type activities.

b. Transfers for Approved Medical Reasons

A resident who desires to relocate on advice of a physician may request a transfer with the PHA, however, the resident must provide the PHA with verification from an approved physician.

This transfer must have approval of Executive Director.

c. Transfers to Appropriately Sized Unit

If a tenant's family composition NO LONGER conforms to the Housing Authority's Occupancy standards for the unit occupied, the PHA may require the tenant to move into a unit of appropriate size. This section establishes both that the Housing Authority has an obligation to transfer residents to the appropriately sized unit and that residents are obligated to accept such transfers. These will be made in accordance with the following principles:

- (i) Determination of the correctly sized apartment shall be in accordance with the Housing Authority's Occupancy Standards.
- (ii) Transfers into the appropriately sized unit will be made within the same neighborhood unless that size unit does not exist on the site.
- (iii) The PHA may, at its discretion, separate a single household into multiple households if sufficiently large units are not available or if management and the family determine this to be in the interest of both the family and the neighborhood. Based on the selection criteria for new admissions, management shall determine

that each smaller family unit is eligible by HUD definition and contains a leaseholder capable of discharging lease obligations.

- (iv) The number of units offered to a family transferring will be one (1) unless there is a hardship situation as determined by PHA. If the resident refuses the dwelling unit offered, the lease may be terminated by management.
- (v) Families with children in school being transferred outside their current neighborhood will not be required to move until the current school year is finished if the Housing Authority determined that a transfer would cause a hardship to the family.
- (vi) Transfers shall be made to correct occupancy standards and shall take precedence over new admissions.
- (vii) Upon redetermination, the resident will be notified of any transfer to another dwelling unit and that such dwelling is available by receipt of a Notice of Termination from PHA with at least fifteen (15) days following the notice to transfer to the new dwelling.

d. Transfers for Non-handicapped families living in handicapped designated units.

- (i) The dwelling lease states what type of unit the resident family is residing in. If the unit leased is a handicapped designated unit and the tenant family occupying the unit is not a family with disabled individuals, the tenant agrees to transfer to a non-handicapped unit if and when the unit is needed for a handicapped family.
- (ii) The PHA may from time to time have an excess of handicapped accessible units. In an effort to get the best use of all units the PHA may from time to time rent a handicapped designated unit to a family that has no disabled members. The PHA will advise the family of the requirements to transfer if and when a handicapped designated family is determined eligible. If the family selected for the unit decides not to accept the unit because of the requirement to move at some date in the future, the refusal shall not count against the family.
- (iii) This section establishes both that the Housing Authority has an obligation to transfer non-handicapped residents residing in handicapped designated units to non-handicapped designated units and that the non-handicapped families are obligated to accept such transfers. These will be made in accordance with the following principles:
 - (a) Transfers into a non-handicapped designated unit will be made within the same neighborhood unless that size unit does not exist on the site.
 - (b) Transfers to a non-handicapped designated unit may be made outside of the same neighborhood with tenant consent or unless no vacancies are expected within the same neighborhood within the next 30 days.

- (c) Management may, at its discretion, separate a single household into multiple households if sufficiently large units are not available or if management and the family determine this to be in the interest of both the family and the neighborhood. Based on the selection criteria for new admissions, management shall determine that each smaller family unit is eligible by HUD definition and contain a legal leaseholder capable of discharging lease obligations.
 - (d) The non-handicapped family may be provided with relocation assistance such as cartage of household goods, and relocation expenses, the costs and methods of which are to be determined by management.
 - (e) For the purposes of determining the priorities for transfers, this type of transfer shall be considered an Housing Authority initiated transfer.
- e. Convenience Transfers: The Executive Director or his/her designee may at his/her discretion permit a transfer to another housing community or public housing facility for the convenience of the tenant for good cause. However, the cost of the transfer shall be borne by the tenant. A "Transfer Charge" list is posted in the MCHA offices and is based on our contract price for maintenance and a administrative charge of \$25 for processing the transfer. The transfer charge list is updated annually by the MCHA. The MCHA will charge the actual cost of the transfer, which includes the administrative cost, the cost of preparing the unit for re-rental and, if applicable, a penalty for not turning in the keys to the old unit within 14 calendar days of the transfer. The tenant is allowed a period of 14 calendar days to move and turn in the keys to the old unit without being charged a penalty. If the move takes more than 14 calendar days and the keys are not turned in the tenant will be charged a penalty of \$10 per day for each day the keys are not turned in to the MCHA. Prior to the transfer the MCHA will perform an inspection on the current unit to determine the amount of charges the tenant will be required to pay as a result of tenant caused damages, if any. All transfer charges must be paid at the time the tenant signs his/her lease and receives the keys for the new unit. The MCHA will perform a final inspection, with the tenant, on the unit that the tenant transferred from, after the keys are turned in, and a final determination will be made by the MCHA staff as to additional charges that may be due the MCHA. For example, the tenant may not have cleaned the unit properly and/or damaged the unit during the moving process. If there are any charges that are due the MCHA, as a result of this inspection, the tenant must pay for these damages within fourteen (14) days of written notice from the MCHA. The tenant must sign a transfer agreement after the MCHA has authorized the transfer and prior to the transfer.

Request for transfers for convenience must be made, in writing, to the MCHA stating the reason for the requested transfer. The MCHA will issue a decision within thirty (30) calendar days of receipt of the request, and if approved, provide the tenant with a list of the charges that will be the resident's responsibility to pay prior to the transfer.

3. Types for Transfers

- a. Transfers may be considered in the following circumstances:
- (i) Housing Authority initiated transfers;
 - (ii) Residents who are under-housed by two bedrooms;
 - (iii) Medical transfers;
 - (iv) Residents who are over-housed by two bedrooms;
 - (v) Residents who are under-housed by one bedroom;
 - (vi) Residents who are over-housed by one bedroom;
 - (vii) Convenience transfers

4. Transfer Procedures

- a. Staff designated by the Executive Director other designated staff shall:
- (i) Prepare a transfer list for the Authority.
 - (ii) Notify residents by letter of their pending transfers or approval of transfer request.
 - (iii) Determine whether a vacancy is used for transfer or move-in,
 - (iv) Notify residents with pending transfers as their name approaches the top of the list.
 - (v) Conduct home visits at the current dwelling unit for housekeeping and verify that resident will have utilities connected.
 - (vi) Counsel with residents experiencing problems with transfers, assisting hardship cases to find assistance.
 - (vii) Participate in evaluation of requests for transfer based on approved medical reasons
 - (viii) . Issue final offer of vacant apartment as soon as vacant apartment is identified.
 - (ix) **Issue notice to transfer as soon as vacant apartment is available for occupancy. This notice will give the resident 14 calendar days to complete transfer**
 - (x) . Process transfer documents to appropriate PHA staff.
 - (xi) Participate in planning and implementation of special transfer systems for modernization and other similar programs

- (xii) . Inspect both apartments involved in the transfer, charging for any resident abuse
 - (xiii) Family pays all outstanding charges due the PHA. The resident's security deposit may be transferred to the new dwelling unit provided the PHA does not claim all or any part of the security deposit. The resident shall pay all or any part of the security deposit required for the new dwelling unit, to either replace or supplement the security deposit from the original dwelling unit, or any balance remaining after any claims are made by the PHA
 - (xiv) . Family signs new lease
- b. Only one offer of an apartment will be made to each resident being transferred within his or her own neighborhood. A resident being transferred outside his or her own neighborhood will be allowed to refuse one offer only. In the case of a family being transferred from a unit which is uninhabitable, incorrectly sized, or scheduled for major repairs, failure to accept the unit offered, or the second unit offered in the case of a transfer outside the neighborhood, will be grounds for termination of the lease. When a person has requested a transfer for approved medical reasons declines the offer of such an apartment, the Housing Authority is not obligated to make any subsequent offers. The Housing Authority will notify the resident in such cases that the Housing Authority has discharged its obligations to the resident, that he remains in the apartment at his own risk, and that the Housing Authority assumes no liability for his condition.
- c. Any resident aggrieved by any action or inaction of the PHA relative to his/her transfer request may file a request for a hearing in accordance with the grievance procedure.

5. Right of Management to Make Exceptions

This policy is to be used as a guide to insure fair and impartial means of assigning units for transfer. It is not intended that this policy shall create a property right or any other type of right for a resident to transfer or refuse transfer. Management reserves the right to make exceptions to this policy as circumstances require, consistent with applicable regulations of the Department of Housing and Urban Development. Transfer disputes are subject to the grievance procedure.

ABANDONMENT OF A UNIT

The PHA may take possession of the dwelling after a resident has moved out. In the absence of actual knowledge of abandonment, it shall be presumed that the resident has abandoned the dwelling if the resident does not respond to the Posted 15 day Notice of Abandonment within 5 days the following criteria will be used in determining if the unit has been abandoned:

- a. Some or all of utilities have been turned off;
- b. A dramatic reduction in utility/electric bills;
- c. Repeated inability to contact the resident;
- d. Incarceration or sentencing of the head of household for more than 30 days;
- e. No personal possessions remaining in the apartment.

If the participant family does not respond to the notice within five days, the family's lease will be terminated and the Housing Authority will enter the unit to remove any remaining personal possessions. PHA may remove and dispose of any personal property, left in the resident's dwelling or elsewhere on the PHA's property in accordance with State of Illinois Statutes, after resident has abandoned the dwelling, with the reasonable cost of any storage, removal and/or disposal charged to resident or assessed against resident's security deposit, unless in PHA's sole discretion, it is determined that documentable conditions existed which prevented the resident from occupying the dwelling.

COMMUNITY SERVICE AND FAMILY SELF-SUFFICIENCY

1. Policy Statement

It is the policy of the Housing Authority to enhance and promote economic and social self-sufficiency. As such, the Housing Authority shall provide the following for the enhancement of the economic and social self-sufficiency of assisted families:

Income mix (the PHA may establish and utilize income-mix criteria for the selection of residents.)

Targeting (mandatory): Not less than 40% of dwelling units owned by the Housing Authority shall be occupied by families whose incomes at the time of commencement of occupancy do not exceed 30% of the area median income.

Incentives to promote deconcentration of very low-income families. Incentives may be implemented at the discretion of the Authority.

Cooperation Agreements for Economic Self-Sufficiency (mandatory): The Housing Authority may enter into cooperation agreements with state, local, and other agencies providing assistance to covered families under welfare or public assistance programs. The cooperation agreements may facilitate the administration of this policy and the sharing of information regarding rents, income, assistance, or other information that may assist the Housing Authority or welfare or public assistance agency to carry out its functions. The Housing Authority may also seek to include in cooperation agreements with welfare or public assistance agencies provisions to provide for economic self-sufficiency services within the properties owned by the Housing Authority, provide for services designed to meet the unique employment-related needs of residents, and provide for placement of work fare positions on-site.

2. Definition of “economic self-sufficiency program”: Any program designed to encourage, assist, train, or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, education, work fare, financial or household management, apprenticeship, or other activities as the Secretary may provide.

3. Community Service and Family Self-Sufficiency Requirement

As a condition of continued occupancy, excluding residents under paragraph 4 below, each adult resident of the Housing Authority shall:

- a. Contribute eight (8) hours per month of community service (not including political activities) within the community in which that adult resides; or,
- b. Participate in an economic self-sufficiency program for eight (8) hours per month.

4. Exemptions

Exemptions to paragraph 3 above shall be made for any individual who:

- a. Is 62 years of age or older;
- b. Is a blind or disabled individual defined under section 216(i)(1) or 1614 of the Social Security Act (42 USC 416(i)(1); 1382c) and who is unable to comply with this section, or is a primary caretaker of such individual;
- c. Is engaged in a work activity (as such term is defined in section 407(d) of the Social Security Act (42 USC 607(d), as in effect on and after July 1, 1997)
- d. Meets the requirements for being exempted from having to engage in a work activity under the state program funded under part A of title IV of the Social Security Act (42 USC 601 et seq) or under any other welfare program of the state in which the public housing agency is located, including a state-administered welfare-to-work program; or,
- e. Is in a family receiving assistance under a state program funded under part A of title IV of the Social Security Act (42 USC 601 et seq) or under any other welfare program of the state in which public housing agency is located, including a state administered welfare-to-work program, and has not been found by the state or other administering entity to be in noncompliance with such program.

5. Annual Determinations

For each public housing resident, the Housing Authority shall, thirty (30) days before the expiration of each lease term of the resident, review and determine the compliance of the resident with the requirement under paragraph 3 above. Such determinations shall be made in accordance with the principles of due process and on a nondiscriminatory basis.

6. Noncompliance

If the Housing Authority determines that the resident subject to the community service requirement has not complied with the requirement, the Housing Authority shall notify the resident in writing of such noncompliance. The written notification shall state that the determination of noncompliance is subject to the administrative grievance procedure and that failure by the resident to enter into an agreement, before the expiration of the lease term, to cure any noncompliance by participating in an economic self-sufficiency program for, or contributing to community service, as many additional hours as the resident needs to comply in the aggregate with such requirement over the 12-month term of the lease, may be cause for lease termination.

The Housing Authority shall not renew or extend any lease, or provide any new lease, for a dwelling unit for any household that includes an adult member subject to the community service requirement who has been determined to be not compliant with the requirements and has failed to attempt to cure the noncompliance.

7. Location of the community service or family self-sufficiency program

Adult residents subject to the community service requirement may participate in a community service or an economic self-sufficiency program at a location not owned by the Housing Authority.

The Housing Authority may provide a community service or an economic self-sufficiency program to meet the community service requirements; however, the Housing Authority shall not substitute participation in community service or an economic self-sufficiency program for work performed by an employee of the Housing Authority or supplant a job at any location at which community work requirements are fulfilled.

8. Treatment of Income Changes Resulting from Welfare Program Requirements

This section applies to families that receive benefits for welfare or public assistance from a state or other public agency under a program for which the federal, state, or local law relating to the program requires, as a condition of eligibility for assistance under the program, participation of a member of the family in an economic self-sufficiency program.

a. Decreases in Income for Failure to Comply

For families whose welfare or public assistance benefits are reduced because of failure of any family member to comply with the conditions under the assistance program requiring participation in an economic self-sufficiency program or imposing a work activities requirement, the amount required to be paid by the family as a monthly contribution toward rent shall not be decreased.

b. Fraud

For families whose welfare or public assistance benefits are reduced because of an act of fraud by member of the family under the law or program, the amount required to be paid by the family as a monthly contribution toward rent shall not be decreased, during the period of reduction, as a result of any decrease in income of the family, to the extent that the decrease was the result of benefit reduction due to fraud.

c. Reduction Based on Time Limit for Assistance

The amount required to be paid as a monthly contribution toward rent by a family whose welfare or public assistance benefits are reduced as a result of the expiration of a lifetime time limit for a family, and not as a result of failure to comply with program requirements, shall be decreased, during the period of reduction, as a result of any decrease in income of the family, to the extent that the decrease was the result of benefit reduction due to expiration of a lifetime time limit.

d. Notice

The Housing Authority shall obtain written notification from the relevant welfare or public assistance agency specifying that the family's benefits have been reduced and cause for reduction prior to redetermination of monthly contribution toward rent.

e. Grievance

Any family affected by sections 8.a and 8.b above shall have the right to review the determination through the Housing Authority's grievance procedure.

HOUSING AUTHORITY

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

Part E

FRAUD

FRAUD

If the PHA has reason to believe that a family may have (or had before participating in the public housing programs) committed fraud, bribery, or other corrupt or criminal acts the PHA will take action to determine whether there has been program abuse. Once the PHA determines that fraud has occurred and decides to terminate the lease due to fraud, the PHA will provide the family with a 30 day Notice to Evict. The PHA may require repayment by the family. Further, the PHA shall refer all fraud cases to the Regional Inspector General for Investigation (RIGID) or to local or state prosecutors with a copy to RIGID for investigation and possible criminal prosecution.

The Housing Authority considers the misrepresentation of income and family circumstances to be a serious lease and policy violation as well as a crime and will take appropriate action if apparent fraud is discovered. Specifically:

1. An applicant family who has misrepresented income or family circumstances may be declared ineligible for housing assistance.
2. If any examination of the tenant's file discloses that the tenant made any misrepresentation (at the time of admission or any previous reexamination date) which resulted in his/her being classified as eligible when in fact he/she was ineligible, the tenant may be required to vacate the apartment even though he/she may be currently eligible.
3. A tenant family who has made misrepresentation of income or family circumstances is subject to both eviction and being declared ineligible for future housing assistance.
4. If it is found that the tenant's misrepresentations resulted in his/her paying a lower Tenant Rent than he/she should have paid, he/she will be required to pay the difference between rent owed and the amount that should have been paid. This amount shall be paid whether or not the tenant remains in occupancy, but failure to pay under terms established by the Housing Authority shall always result in immediate termination of the lease. The Housing Authority reserves the right to demand full payment within seven days.
5. The Housing Authority shall report apparent cases of tenant or applicant fraud to the appropriate government agency. It shall be the policy of the PHA to press state and Federal authorities for prosecution of cases which, in the Housing Authority's judgment, appear to constitute willful and deliberate misrepresentation.

HOUSING AUTHORITY

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

Part F

RENT POLICY

RENT POLICY

1. Minimum Rental Amount

The PHA has established a minimum Total Tenant payment of \$50 per month.

2. Rent Collection

a. Rent is due on the first of each month and is considered late if not paid by the fifth day of the month. Residents shall be mailed a notice of rent due, including the due date.

b. A late charge will be added to the monthly rental payment for any rent paid after the fifth (5th) day of the month (regardless if the sixth (5th) day is a holiday, Saturday, or Sunday) in the amount of \$1.00 per day and not to exceed \$30.

3. Payments After the Delinquency Date

The family may enter into a written agreement with the PHA or court to pay back all outstanding indebtedness, including unpaid maintenance charges and retro-rent, plus incurred charges. Repayment agreements will not be entered into for delinquent rent. The option to enter into an agreement shall be solely at the discretion of the PHA. Any such agreement must provide for a quick payout of debt, not to exceed three (3) months for the total payment. Should the family fail to make payments in accordance with the terms of the agreement to repay, the PHA shall serve a notice to vacate to the family. Should the PHA be required to enforce the terms of the lease agreement through legal action, all related court costs, attorney fees, plus any outstanding indebtedness, will be included in the judgment.

4. Retroactive Rent Charges

Retroactive Rent Charges will be due and payable within seven (7) days of written notice unless arrangements are made prior to this day to make installment payments. Normally retroactive rent installment payments must be computed not to exceed a three (3) month pay off. If the amounts are large and the tenant will not be able to pay off the retro rent charge within three (3) months a repayment schedule may be established allowing a longer period upon approval of the Executive Director.

5. Vacated Residents With Balances

Vacated residents will have thirty (30) days from the date of the statement of Request for Refund to pay the account or make arrangements for payment. Accounts will be reported to the Credit Bureau and collection action will be taken after the expiration of this time period.

6. Terms and Conditions of Payment of Security Deposits

Prior to lease signing, the Housing Authority must receive full payment of the security deposit; however, the PHA Housing Manager retains the discretion to receive partial payment of the security

deposit, with the balance due the following month. Where the family moves in on other than the first of the month, the rent will be pro-rated for that month but the full security deposit will still be due at time of lease execution.

In properties designated for the exclusive occupancy by elderly, handicapped, or disabled persons, the PHA will allow the keeping of pets in accordance with the Housing Authority's Pet Policy and upon execution of the Pet Lease Addendum. A condition of pet ownership is the payment of a pet deposit for all dogs and cats.

7. Terms and Conditions of Other Charges in Addition to Rent

The Tenant is responsible for the payment of certain other charges such as follows

- a. Maintenance cost for services or repairs due to intentional or negligent damage to the dwelling unit, common areas or grounds beyond normal wear and tear, caused by Tenant, household embers or by guests.
- b. Excess Utility Charges shall be assessed for excess utility consumption due to the operation of major tenant supplied appliances. This does not apply to Residents who pay their utilities directly to a utility supplier.
- c. Installation charges for tenant supplied air conditioners.
- d. The Tenant shall pay all costs and expenses incurred, including reasonable attorney's fees, in enforcing the agreements of this lease or in recovering possession of the said premises, unless the Tenant prevails in such legal actions.

8. Exemption for Hardship Circumstances

The Housing Authority shall immediately grant an exemption from application of the minimum monthly rental amount to any family unable to pay such amount because of financial hardship, which shall include situations in which:

- a. The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;
- b. The family would be evicted as a result of the imposition of the minimum rent requirement;
- c. The income of the family has decreased because of changed circumstances, including loss of employment;
- d. A death in the family has occurred.

If a resident requests a hardship exemption and the Housing Authority reasonably determines the hardship to be of a temporary nature, an exemption shall not be granted during the 90-day period beginning upon the making of a request for the exemption. A resident shall not be evicted during the 90-day period for non-payment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long-term basis, the Housing Authority shall retroactively exempt the resident from applicability of the minimum rent requirement for such 90-day period.

9. Family Choice of Rental Payment

The Housing Authority shall provide two (2) rent options for any public housing dwelling unit owned, assisted, or operated by the Housing Authority:

- a. Flat Rents: The flat rental amount for the dwelling unit shall be based on the rental value of the unit, as determined by the Housing Authority; or,
- b. Income Based Rents: The monthly rental amount shall not exceed (up to) 30% of monthly adjusted income. Income Based Rents shall not be less than the minimum rental amount.

The PHA can calculate rent up to 30% of monthly adjusted income.

The term “adjusted income” means, with respect to the family, the amount of income of the members of the family residing in a dwelling unit or the persons on a lease, after any income exclusions as follows:

\$400 for any elderly or disabled family;

The amount by which 3% of the annual family income is exceeded by the sum of:

Unreimbursed medical expenses for any elderly family or disabled family;

Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.

Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education;

- (iv) \$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is less than 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities;

Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under

this clause may not exceed \$480 for each child for whom such payment is made;

- (vi) Any payment made be a member of the family for the support and maintenance of any spouse or former spouse who does not reside in the household, except that the amount excluded under this clause shall not exceed the lesser of:
 - (a) The amount that such family member has legal obligation to pay, or, \$550 for each individual for whom such payment is made.
- (vii) The amount of any earned income of a member of the family who is not:
 - (a) 18 years of age or older, and
The head of the household (or the spouse of the head of the household).

10. Switching Rent Determination Methods Because of Hardship Circumstances

In the case of a family that has elected to pay rent in the amount equal to the Flat Rent/Ceiling Rent for the dwelling unit, the Housing Authority shall immediately provide for the family to pay rent in the amount equal to Income Based Rent during the period for which such election was made upon a determination that the family is unable to pay the amount determined because of financial hardship, including:

Situations in which the income of the family has decreased because of changed circumstances, loss or reduction of employment, death in the family, and reduction in or loss of income or other assistance;

- b. An increase, because of changed circumstances, in the family's expenses for medical costs, child care, transportation, education, or similar items; or,
- c. Such other situations as may be determined by the Housing Authority.

Families switching rent determination method because of hardship circumstances shall be limited to one (1) rent switch within a twelve (12) month period. Such rent switches are subject to interim reexamination provisions as detailed in this policy.

11. Encouragement of Self-Sufficiency

It is the policy of the Housing Authority to encourage and reward employment and economic self-sufficiency. As such, the Housing Authority may provide incentives for employment and economic self-sufficiency. These may include:

- a. Escrow account (a portion of the rent is placed in an escrow account)
- b. Savings account (In lieu of a disallowance of earned income, the amount that otherwise would be applied to the family's rent payment as a result of employment is placed in a savings account. Amounts deposited in a savings account may only be withdrawn by the family for the purpose of:
 - (i) Purchasing a home;

- (ii) Paying education costs of family members;
 - (iii) Moving out of public or assisted housing;
 - (iv) Paying any other expense authorized by the Housing Authority for the purpose of promoting economic self-sufficiency of the family.
- c. Income exclusions (non-mandatory-may include excessive transportation for work or school or earned income. These are implemented at the PHA expense.)
- d. Flat rents

Rent losses will be offset in the operating fund.
- e. Disallowance of earned income from rent determinations (mandatory): When a family member becomes employed after being unemployed for at least one (1) year, or when income increases during the participation in any family self-sufficiency or job training program, or who is or was assisted under TANF within six (6) months and whose earned income increases, rent shall not increase for twelve (12) months after commencing work.
- f. Phase-in of rent increases (mandatory): Upon expiration of the 12-month period of disallowance of earned income from rent determinations, the rent payable by the family shall be increased due to continued employment of the family member, except that during the 12-month period beginning upon such expiration, the amount of the increase may not be greater than 50% of the amount of the total rent increase that would be applicable. (Rent may only increase by 50% of what it normally would during the next 12 month period.) This second 12-month period may be extended at the PHA's discretion. How the phase-in rent is calculated is also at the PHA discretion.

12. Treatment of Income Changes Resulting from Welfare Program Requirements

This section applies to families that receive benefits for welfare or public assistance from a state or other public agency under a program for which the federal, state, or local law relating to the program requires, as a condition of eligibility for assistance under the program, participation of a member of the family in an economic self-sufficiency program.

a. Decreases in Income for Failure to Comply

For families whose welfare or public assistance benefits are reduced because of failure of any family member to comply with the conditions under the assistance program requiring participation in an economic self-sufficiency program or imposing a work activities requirement, the amount required to be paid by the family as a monthly contribution toward rent shall not be decreased.

b. Fraud

For families whose welfare or public assistance benefits are reduced because of an act of fraud by member of the family under the law or program, the amount required to be paid by the family as a monthly contribution toward rent shall not be decreased, during the period of reduction, as a result of any decrease in income of the family, to the extent that the decrease was the result of benefit reduction due to fraud.

c. Reduction Based on Time Limit for Assistance

The amount required to be paid as a monthly contribution toward rent by a family whose welfare or public assistance benefits are reduced as a result of the expiration of a lifetime time limit for a family, and not as a result of failure to comply with program requirements, shall be decreased, during the period of reduction, as a result of any decrease in income of the family, to the extent that the decrease was the result of benefit reduction due to expiration of a lifetime time limit.

d. Notice

The Housing Authority shall obtain written notification from the relevant welfare or public assistance agency specifying that the family's benefits have been reduced and cause for reduction prior to redetermination of monthly contribution toward rent.

e. Grievance

Any family affected by sections 12.a and 12.b above shall have the right to review the determination through the Housing Authority's grievance procedure.

APPENDIX A

INCOME LIMITS

INSERT INCOME LIMITS

APPENDIX B

UTILITY ALLOWANCES

INSERT UTILITY ALLOWANCES

APPENDIX C

GRIEVANCE PROCEDURE

INSERT GRIEVANCE PROCEDURE

APPENDIX D

PET POLICY

APPENDIX E

ONE STRIKE AND YOU'RE OUT POLICY

APPENDIX F

FLAT RENTS

FLAT RENTS

PROJECT No.	COMMUNITY NAME	0 BR	1 BR	2 BR	3 BR	4 BR
037-002	KIRK TERRACE	\$151	\$183	\$216	\$270	\$302
037-003	LONG HOMES	\$151	\$183	\$216	\$270	\$302
037-005	HULL HOMES	\$141	\$171	\$201	\$252	\$282
037-006	ASH ARNETT	\$141	\$171	\$201	\$252	\$282
037-007	CARLOCK HOMES	\$141	\$171	\$201	\$252	\$282
037-008	COBETTO HOMES	\$141	\$171	\$201	\$252	\$282
037-009	HUBER HOMES	\$151	\$183	\$216	\$270	\$302
037-010	STEWART HOMES	\$141	\$171	\$201	\$252	\$282
037-011	GRAHAM REINEKE	\$141	\$171	\$201	\$252	\$282
037-012	MASSA HOMES	\$141	\$171	\$201	\$252	\$282