

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

PHA Plans

Annual Plan for Fiscal Year 2004

**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: Southeastern Minnesota Multi-County Housing and
Redevelopment Authority

PHA Number: MN-197

PHA Fiscal Year Beginning: (01-01-2004)

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 management offices
- PHA local offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plans (including attachments) are available for public inspection at: (select all that apply)

- Main administrative office of the PHA
- PHA development management offices
- PHA local offices
- Main administrative office of the local government
- Main administrative office of the County government
- Main administrative office of the State government
- Public library
- PHA website
- Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

- Main business office of the PHA
- PHA development management offices
- Other (list below)

Annual PHA Plan
PHA Fiscal Year 2004
[24 CFR Part 903.7]

i. Annual Plan Type:

Select which type of Annual Plan the PHA will submit.

Standard Plan

Streamlined Plan:

- High Performing PHA**
- Small Agency (<250 Public Housing Units)**
- Administering Section 8 Only**

Troubled Agency Plan

ii. Executive Summary of the Annual PHA Plan

[24 CFR Part 903.7 9 (r)]

Provide a brief overview of the information in the Annual Plan, including highlights of major initiatives and discretionary policies the PHA has included in the Annual Plan.

The Southeastern Minnesota Multi-County Housing and Redevelopment Authority (SEMMCHRA) has prepared this Agency Plan in compliance with Section 511 of the Quality Housing and Work Responsibility Act of 1998 and the ensuing HUD requirements. The Agency Plan was completed using the following documents that govern our operations:

- Admissions and Continued Occupancy Policy
- Section 8 Leasing and Occupancy Policy
- Equal Housing and Opportunity Policy
- Pet Policy
- Move-Out Policy
- Repayment Agreement Policy
- Personnel Policy
- Community Room Rental Policy
- Maintenance Policy

Community Service Requirements Policy
Homeownership Program Administrative Plan
Family Self-Sufficiency Program Action Plan

Copies of these policies can be located at our main office at 134 East Second Street, Wabasha, MN.

iii. Annual Plan Table of Contents

[24 CFR Part 903.7 9 (r)]

Provide a table of contents for the Annual Plan, including attachments, and a list of supporting documents available for public inspection.

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 - 2. Financial Resources
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 - 6. Grievance Procedures
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- 9. Designation of Housing
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- 16. Audit
- 17. Asset Management
- 18. Other Information

Attachments :Indicate which attachments are provided by selecting all that apply. Provide the attachment’s name (A, B, etc.) in the space to the left of the name of the attachment. Note: If the attachment is provided as a **SEPARATE** file submission from the PHA Plans file, provide the file name in parentheses in the space to the right of the title.

Required Attachments:

- Admissions Policy for Deconcentration
- FY 2004 Capital Fund Program Annual Statement
- Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)

Optional Attachments:

- PHA Management Organizational Chart
- FY 2004 Capital Fund Program 5 Year Action Plan
- Public Housing Drug Elimination Program (PHDEP) Plan
- Comments of Resident Advisory Board or Boards
- Other (List below, providing each attachment name)

Supporting Documents Available for Review: 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	Applicable 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	5 Year and Annual Plans
X	Fair Housing Documentation: 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	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI)) 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), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public Housing Deconcentration and Income Mixing Documentation: 1. PHA board certifications of compliance with	Annual Plan: Eligibility, Selection, and Admissions Policies

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List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
	deconcentration requirements (section 16(a) of the US Housing Act of 1937, as implemented in the 2/18/99 <i>Quality Housing and Work Responsibility Act Initial Guidance; Notice</i> and any further HUD guidance) and 2. Documentation of the required deconcentration and income mixing analysis	
X	Public housing rent determination policies, including the methodology 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
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	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 the active grant year	Annual Plan: Capital Needs

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List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
X	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs
X	Most recent, approved 5 Year Action Plan for the Capital Fund/Comprehensive Grant Program, if not included as an attachment (provided at PHA option)	Annual Plan: Capital Needs
NA	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
NA	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
NA	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing
NA	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	Annual Plan: Conversion of Public Housing
NA	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program <input checked="" type="checkbox"/> check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
NA	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
X	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
NA	The most recent Public Housing Drug Elimination Program (PHEDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application	Annual Plan: Safety and Crime Prevention

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List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
	(PHDEP Plan)	
X	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
NA	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
NA	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)

1. Statement of Housing Needs

[24 CFR Part 903.7 9 (a)]

A. Housing Needs of Families in the Jurisdiction/s Served by the PHA: Based upon the information contained in the Consolidated Plan/s applicable to the jurisdiction, and/or other data available to the PHA, provide a statement of the housing needs in the jurisdiction by completing the following table. In the "Overall" Needs column, provide the estimated number of renter families that have housing needs. For the remaining characteristics, rate the impact of that factor on the housing needs for each family type, from 1 to 5, with 1 being "no impact" and 5 being "severe impact." Use N/A to indicate that no information is available upon which the PHA can make this assessment.

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Income <= 30% of AMI	3,501	4	4	4	3	3	3
Income >30% but <=50% of AMI	2,947	4	4	3	5	3	3
Income >50% but <80% of AMI	3,526	3	3	3	3	3	3
Elderly	4,135	4	2	2	2	3	3
Families with	NA	2	2	2	5	3	3

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Disabilities							
Race-Dodge	24.9%	2	1	2	1	3	3
Race-Fillmore	1.9%	2	1	2	1	3	3
Race-Goodhue	6.5%	2	1	2	1	3	3
Race-Houston	2.8%	2	1	2	1	3	3
Race-Wabasha	5%	2	1	2	1	3	3
Race-Winona	9.3%	2	1	2	1	3	3

What sources of information did the PHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

- Consolidated Plan of the Jurisdiction/s
Indicate year: 2003
- U.S. Census data: the Comprehensive Housing Affordability Strategy (“CHAS”) dataset
- American Housing Survey data
Indicate year:
- Other housing market study
Indicate year:
- Other sources: (list and indicate year of information)

B. Housing Needs of Families on the Public Housing and Section 8 Tenant- Based Assistance Waiting Lists: State the housing needs of the families on the PHA’s waiting list/s. **Complete one table for each type of PHA-wide waiting list administered by the PHA.** PHAs may provide separate tables for site-based or sub-jurisdictional public housing waiting lists at their option.

Housing Needs of Families on the Waiting List
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Housing Needs of Families on the Waiting List			
Waiting list type: (select one)			
<input type="checkbox"/> Section 8 tenant-based assistance			
<input type="checkbox"/> Public Housing			
<input checked="" type="checkbox"/> Combined Section 8 and Public Housing			
<input type="checkbox"/> Public Housing Site-Based or sub-jurisdictional waiting list (optional)			
If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	278		186
Extremely low income <=30% AMI	206	74%	
Very low income (>30% but <=50% AMI)	56	20%	
Low income (50% but <80% AMI)	16	6%	
Families with children	167	60.07%	
Elderly families	24	8.6%	
Families with Disabilities	44	15.8%	
Race/ethnicity	White – 235	84.5%	
Race/ethnicity	Other – 7	2.6%	
Race/ethnicity	Black – 36	13%	
Characteristics by Bedroom Size (Public Housing)			

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Housing Needs of Families on the Waiting List			
Only)			
1BR	11	26%	22
2 BR	20	47%	4
3 BR	9	21%	8
4 BR	2	4%	2
5 BR	1	2%	0
5+ BR	0	0	0
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If yes: How long has it been closed (# of months)? Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input type="checkbox"/> No <input type="checkbox"/> Yes			

C. Strategy for Addressing Needs: Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list **IN THE UPCOMING YEAR**, and the Agency's reasons for choosing this strategy.

(1) Strategies

Need: Shortage of affordable housing for all eligible populations

Strategy 1. Maximize the number of affordable units available to the PHA within its current resources by: Select all that apply

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Reduce time to renovate public housing units
- Seek replacement of public housing units lost to the inventory through mixed finance development
- Seek replacement of public housing units lost to the inventory through section 8 replacement housing resources
- Maintain or increase section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction

- Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required
- Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration
- Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program
- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies
- Other (list below)

Strategy 2: Increase the number of affordable housing units by: Select all that apply

- Apply for additional section 8 units should they become available
- Leverage affordable housing resources in the community through the creation of mixed - finance housing
- Pursue housing resources other than public housing or Section 8 tenant-based assistance.
- Other: (list below)

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI: Select all that apply

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing
- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based section 8 assistance
- Employ admissions preferences aimed at families with economic hardships
- Adopt rent policies to support and encourage work
- Other: (list below)

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI: Select all that apply

- Employ admissions preferences aimed at families who are working
- Adopt rent policies to support and encourage work

Other: (list below)

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly: Select all that apply

- Seek designation of public housing for the elderly
- Apply for special-purpose vouchers targeted to the elderly, should they become available
- Other: (list below)

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities: Select all that apply

- Seek designation of public housing for families with disabilities
- Carry out the modifications needed in public housing based on the section 504 Needs Assessment for Public Housing
- Apply for special-purpose vouchers targeted to families with disabilities, should they become available
- Affirmatively market to local non-profit agencies that assist families with disabilities
- Other: (list below)

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Increase awareness of PHA resources among families of races and ethnicities with disproportionate needs: Select if applicable

- Affirmatively market to races/ethnicities shown to have disproportionate housing needs
- Other: (list below)

Strategy 2: Conduct activities to affirmatively further fair housing: Select all that apply

- Counsel section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units

- Market the section 8 program to owners outside of areas of poverty /minority concentrations
- Other: (list below)

Other Housing Needs & Strategies: (list needs and strategies below)

(2) Reasons for Selecting Strategies

Of the factors listed below, select all that influenced the PHA’s selection of the strategies it will pursue:

- Funding constraints
- Staffing constraints
- Limited availability of sites for assisted housing
- Extent to which particular housing needs are met by other organizations in the community
- Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA
- Influence of the housing market on PHA programs
- Community priorities regarding housing assistance
- Results of consultation with local or state government
- Results of consultation with residents and the Resident Advisory Board
- Results of consultation with advocacy groups
- Other: (list below)

2. Statement of Financial Resources: [24 CFR Part 903.7 9 (b)]: List the financial resources that are anticipated to be available to the PHA for the support of Federal public housing and tenant-based Section 8 assistance programs administered by the PHA during the Plan year. Note: the table assumes that Federal public housing or tenant based Section 8 assistance grant funds are expended on eligible purposes; therefore, uses of these funds need not be stated. For other funds, indicate the use for those funds as one of the following categories: public housing operations, public housing capital improvements, public housing safety/security, public housing supportive services, Section 8 tenant-based assistance, Section 8 supportive services or other.

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2001 grants)		

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
a) Public Housing Operating Fund	133,000.00	
b) Public Housing Capital Fund	168,580.00	
c) HOPE VI Revitalization	-0-	
d) HOPE VI Demolition	-0-	
e) Annual Contributions for Section 8 Tenant-Based Assistance	1,357,154.00	
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)	-0-	
g) Resident Opportunity and Self-Sufficiency Grants		
h) Community Development Block Grant	-0-	
i) HOME	-0-	
Other Federal Grants (list below)	-0-	
Family Self-Sufficiency	32,207.00	
2. Prior Year Federal Grants (unobligated funds only) (list below)	-0-	
3. Public Housing Dwelling Rental Income	260,000.00	
4. Other income (list below)		
Excess Utilities	2,500.00	
General Fund Investments	4,000.00	

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Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
Other Income	11,000.00	
4. Non-federal sources (list below)		
Total resources	1,968,441.00	

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

A. Public Housing: Exemptions: PHAs that do not administer public housing are not required to complete subcomponent 3A.

(1) Eligibility

a. When does the PHA verify eligibility for admission to public housing? (select all that apply)

- When families are within a certain number of being offered a unit: (state number - 5)
- When families are within a certain time of being offered a unit: (state time)
- Other: We verify at the time of application.

b. Which non-income (screening) factors does the PHA use to establish eligibility for admission to public housing (select all that apply)?

- Criminal or Drug-related activity
- Rental history
- Housekeeping
- Other (describe) Credit Checks.

- c. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?
- d. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?
- e. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

(2)Waiting List Organization

a. Which methods does the PHA plan to use to organize its public housing waiting list (select all that apply)

- Community-wide list
- Sub-jurisdictional lists
- Site-based waiting lists
- Other (describe)

b. Where may interested persons apply for admission to public housing?

- PHA main administrative office
- PHA development site management office
- Other (list below)

c. If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to subsection **(3) Assignment**

1. How many site-based waiting lists will the PHA operate in the coming year?

2. Yes No: Are any or all of the PHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?
If yes, how many lists?

3. Yes No: May families be on more than one list simultaneously
If yes, how many lists?

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?

- PHA main administrative office
- All PHA development management offices
- Management offices at developments with site-based waiting lists
- At the development to which they would like to apply
- Other (list below)

(3) Assignment

a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list? (select one)

- One
- Two
- Three or More

b. Yes No: Is this policy consistent across all waiting list types?

c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the PHA:

(4) Admissions Preferences

a. Income targeting:

Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of median area income?

b. Transfer policies:

In what circumstances will transfers take precedence over new admissions? (list below)

- Emergencies
- Overhoused
- Underhoused

- Medical justification
- Administrative reasons determined by the PHA (e.g., to permit modernization work)
- Resident choice: (state circumstances below)
- Other: (list below)

c. Preferences

1. Yes No: Has the PHA established preferences for admission to public housing (other than date and time of application)? (If “no” is selected, skip to subsection **(5) Occupancy**)
2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

1 Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

1 Other preferences: (select below)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

3. If the PHA will employ admissions preferences, please prioritize by placing a “1” in the space that represents your first priority, a “2” in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use “1” more than once, “2” more than once, etc.

1 Date and Time

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- 1 Homelessness
- High rent burden

1 Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans’ families
- Residents who live and/or work in the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

4. Relationship of preferences to income targeting requirements:

- The PHA applies preferences within income tiers
- Not applicable: the pool of applicant families ensures that the PHA will meet income-targeting requirements

(5) Occupancy

a. What reference materials can applicants and residents use to obtain information about the rules of occupancy of public housing (select all that apply)

- The PHA-resident lease
- The PHA's Admissions and (Continued) Occupancy policy
- PHA briefing seminars or written materials
- Other source (list)

b. How often must residents notify the PHA of changes in family composition? (select all that apply)

- At an annual reexamination and lease renewal
- Any time family composition changes
- At family request for revision
- Other (list)

(6) Deconcentration and Income Mixing

a. Yes No: Did the PHA's analysis of its family (general occupancy) developments to determine concentrations of poverty indicate the need for measures to promote deconcentration of poverty or income mixing?

b. Yes No: Did the PHA adopt any changes to its **admissions policies** based on the results of the required analysis of the need to promote deconcentration of poverty or to assure income mixing?

c. If the answer to b was yes, what changes were adopted? (select all that apply)

- Adoption of site-based waiting lists
If selected, list targeted developments below:
- Employing waiting list "skipping" to achieve deconcentration of poverty or income mixing goals at targeted developments
If selected, list targeted developments below:
- Employing new admission preferences at targeted developments

If selected, list targeted developments below:

Other (list policies and developments targeted below)

d. Yes No: Did the PHA adopt any changes to **other** policies based on the results of the required analysis of the need for deconcentration of poverty and income mixing?

e. If the answer to d was yes, how would you describe these changes? (select all that apply)

- Additional affirmative marketing
- Actions to improve the marketability of certain developments
- Adoption or adjustment of ceiling rents for certain developments
- Adoption of rent incentives to encourage deconcentration of poverty and income mixing
- Other (list below)

f. Based on the results of the required analysis, in which developments will the PHA make special efforts to attract or retain higher-income families? (select all that apply)

- Not applicable: results of analysis did not indicate a need for such efforts
- List (any applicable) developments below: Maple Grove Apartments and Scattered Site Housing

g. Based on the results of the required analysis, in which developments will the PHA make special efforts to assure access for lower-income families? (select all that apply)

- Not applicable: results of analysis did not indicate a need for such efforts
- List (any applicable) developments below: Maple Grove Apartments and Scattered Site Housing

B. Section 8: Exemptions: PHAs that do not administer section 8 are not required to complete sub-component 3B. **Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).**

(1) Eligibility

a. What is the extent of screening conducted by the PHA? (select all that apply)

- Criminal or drug-related activity only to the extent required by law or regulation
- Criminal and drug-related activity, more extensively than required by law or regulation
- More general screening than criminal and drug-related activity (list factors below)
- Other:

b. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?

c. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?

d. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

e. Indicate what kinds of information you share with prospective landlords? (select all that apply)

- Criminal or drug-related activity
- Other: Known address and rental history

(2) Waiting List Organization

a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting list merged? (select all that apply)

- None
- Federal public housing
- Federal moderate rehabilitation
- Federal project-based certificate program
- Other federal or local program (list below)

b. Where may interested persons apply for admission to section 8 tenant-based assistance? (select all that apply)

- PHA main administrative office
- Other: By Mail

(3) Search Time

- a. Yes No: Does the PHA give extensions on standard 60-day period to search for a unit?

If yes, state circumstances below: Unable to locate housing or still looking.

(4) Admissions Preferences

- a. Income targeting

- Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 75% of all new admissions to the section 8 program to families at or below 30% of median area income?

- b. Preferences

1. Yes No: Has the PHA established preferences for admission to section 8 tenant-based assistance? (other than date and time of application) (if no, skip to subcomponent **(5) Special purpose section 8 assistance programs**)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in your jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

1 Date and Time

Former Federal preferences

Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)

Victims of domestic violence

Substandard housing

1 Homelessness

High rent burden

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in your jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)

- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

4. Among applicants on the waiting list with equal preference status, how are applicants selected? (select one)

- Date and time of application
- Drawing (lottery) or other random choice technique

5. If the PHA plans to employ preferences for “residents who live and/or work in the jurisdiction” (select one)

- This preference has previously been reviewed and approved by HUD
- The PHA requests approval for this preference through this PHA Plan

6. Relationship of preferences to income targeting requirements: (select one)

- The PHA applies preferences within income tiers
- Not applicable: the pool of applicant families ensures that the PHA will meet income-targeting requirements

(5) Special Purpose Section 8 Assistance Programs

a. In which documents or other reference materials are the policies governing eligibility, selection, and admissions to any special-purpose section 8 program administered by the PHA contained? (select all that apply)

- The Section 8 Administrative Plan
- Briefing sessions and written materials
- Other: Owner’s Manual

b. How does the PHA announce the availability of any special-purpose section 8 programs to the public?

- Through published notices
- Other: Agency Newsletter; Cable TV; Briefings; Web Site.

4. PHA Rent Determination Policies: [24 CFR Part 903.7 9 (d)]

A. Public Housing: Exemptions: PHAs that do not administer public housing are not required to complete sub-component 4A.

(1) Income Based Rent Policies: Describe the PHA's income based rent setting policy/ies for public housing using, including discretionary (that is, not required by statute or regulation) income disregards and exclusions, in the appropriate spaces below.

a. Use of discretionary policies: (select one)

The PHA will not employ any discretionary rent-setting policies for income based rent in public housing. Income-based rents are set at the higher of 30% of adjusted monthly income, 10% of unadjusted monthly income, the welfare rent, or minimum rent (less HUD mandatory deductions and exclusions). (If selected, skip to sub-component (2))

---or---

The PHA employs discretionary policies for determining income-based rent (If selected, continue to question b.)

b. Minimum Rent

1. What amount best reflects the PHA's minimum rent? (select one)

- \$0
 \$1-\$25
 \$26-\$50

2. Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies?

3. If yes to question 2, list these policies below: Contained in Occupancy and Admissions Policy

c. Rents set at less than 30% than adjusted income

1. Yes No: Does the PHA plan to charge rents at a fixed amount or percentage less than 30% of adjusted income?

2. If yes to above, list the amounts or percentages charged and the circumstances under which these will be used below:

d. Which of the discretionary (optional) deductions and/or exclusions policies does the PHA plan to employ (select all that apply)

For the earned income of a previously unemployed household member

For increases in earned income

Fixed amount (other than general rent-setting policy)
If yes, state amount/s and circumstances below:

Fixed percentage (other than general rent-setting policy)
If yes, state percentage/s and circumstances below:

For household heads

For other family members

For transportation expenses

For the non-reimbursed medical expenses of non-disabled or non-elderly families

Other (describe below)

e. Ceiling rents

1. Do you have ceiling rents? (rents set at a level lower than 30% of adjusted income) (select one)

Yes for all developments

Yes but only for some developments

No

2. For which kinds of developments are ceiling rents in place? (select all that apply)

For all developments

For all general occupancy developments (not elderly or disabled or elderly only)

For specified general occupancy developments

- For certain parts of developments; e.g., the high-rise portion
- For certain size units; e.g., larger bedroom sizes
- Other (list below)

3. Select the space or spaces that best describe how you arrive at ceiling rents (select all that apply)

- Market comparability study
- Fair market rents (FMR)
- 95th percentile rents
- 75 percent of operating costs
- 100 percent of operating costs for general occupancy (family) developments
- Operating costs plus debt service
- The “rental value” of the unit
- Other (list below) Our Authority’s ceiling rents will be set at the same level as our flat rents.

f. Rent re-determinations:

1. Between income reexaminations, how often must tenants report changes in income or family composition to the PHA such that the changes result in an adjustment to rent? (select all that apply)

- Never
- At family option
- Any time the family experiences an income increase
- Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold)_____
- Other: Change in household size

g. Yes No: Does the PHA plan to implement individual savings accounts for residents (ISAs) as an alternative to the required 12 month disallowance of earned income and phasing in of rent increases in the next year? **If requested.**

(2) Flat Rents

1. In setting the market-based flat rents, what sources of information did the PHA use to establish comparability? (select all that apply.)

- The section 8 rent reasonableness study of comparable housing
- Survey of rents listed in local newspaper
- Survey of similar unassisted units in the neighborhood
- Other: Operating Costs.

B. Section 8 Tenant-Based Assistance: Exemptions: PHAs that do not administer Section 8 tenant-based assistance are not required to complete sub-component

4B. **Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).**

(1) Payment Standards: Describe the voucher payment standards and policies.

a. What is the PHA's payment standard? (select the category that best describes your standard)

- At or above 90% but below 100% of FMR
- 100% of FMR
- Above 100% but at or below 110% of FMR **Most are at 100% but some counties and bdr sizes are at 105%**
- Above 110% of FMR (if HUD approved; describe circumstances below)

b. If the payment standard is lower than FMR, why has the PHA selected this standard? (select all that apply)

- FMRs are adequate to ensure success among assisted families in the PHA's segment of the FMR area
- The PHA has chosen to serve additional families by lowering the payment standard
- Reflects market or submarket
- Other: Not applicable.

c. If the payment standard is higher than FMR, why has the PHA chosen this level? (select all that apply)

- FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area

- Reflects market or submarket
- To increase housing options for families
- Other: Non applicable

d. How often are payment standards reevaluated for adequacy? (select one)

- Annually
- Other (list below)

e. What factors will the PHA consider in its assessment of the adequacy of its payment standard? (select all that apply)

- Success rates of assisted families
- Rent burdens of assisted families
- Other (list below)

(2) Minimum Rent

a. What amount best reflects the PHA's minimum rent? (select one)

- \$0
- \$1-\$25
- \$26-\$50

b. Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies? (if yes, list below)

5. Operations and Management: [24 CFR Part 903.7 9 (e)]

A. PHA Management Structure: Describe the PHA's management structure and organization.

(select one)

- An organization chart showing the PHA's management structure and organization is attached.
- A brief description of the management structure and organization of the PHA follows:

B. HUD Programs Under PHA Management: List Federal programs administered by the PHA, number of families served at the beginning of the upcoming fiscal year, and expected turnover in each. (Use "NA" to indicate that the PHA does not operate any of the programs listed below.)

Program Name	Units or Families Served at Year Beginning	Expected Turnover
Public Housing	110	36
Section 8 Vouchers	370	150
Section 8 Certificates		
Section 8 Mod Rehab	NA	NA
Special Purpose Section 8 Certificates/Vouchers (list individually)	NA	NA
Public Housing Drug Elimination Program (PHDEP)	NA	NA
Other Federal Programs(list individually)	NA	NA

C. Management and Maintenance Policies: List the PHA’s public housing management and maintenance policy documents, manuals and handbooks that contain the Agency’s rules, standards, and policies that govern maintenance and management of public housing, including a description of any measures necessary for the prevention or eradication of pest infestation (which includes cockroach infestation) and the policies governing Section 8 management.

(1) Public Housing Maintenance and Management: (list below)

- et* Admissions & Continued Occupancy Policy
- et* Repayment Policy
- et* Equal Housing Opportunity Policy
- et* Move-Out Policy
- et* Maintenance Policy
- et* Housekeeping Standards
- et* Community Room Policy

(2) Section 8 Management: (list below)

- er* Section 8 Leasing & Occupancy Policy
- er* Equal Housing Opportunity Policy

6. **PHA Grievance Procedures:** [24 CFR Part 903.7 9 (f)]: Exemptions from component 6: High performing PHAs are not required to complete component 6. Section 8-Only PHAs are exempt from sub-component 6A.

A. Public Housing

1. Yes No: Has the PHA established any written grievance procedures in addition to federal requirements found at 24 CFR Part 966, Subpart B, for residents of public housing?

If yes, list additions to federal requirements below:

2. Which PHA office should residents or applicants to public housing contact to initiate the PHA grievance process? (select all that apply)

- PHA main administrative office
- PHA development management offices
- Other (list below)

B. Section 8 Tenant-Based Assistance

1. Yes No: Has the PHA established informal review procedures for applicants to the Section 8 tenant-based assistance program and informal hearing procedures for families assisted by the Section 8 tenant-based assistance program in addition to federal requirements found at 24 CFR 982?

If yes, list additions to federal requirements below:

2. Which PHA office should applicants or assisted families contact to initiate the informal review and informal hearing processes? (select all that apply)

- PHA main administrative office
- Other (list below)

7. Capital Improvement Needs: [24 CFR Part 903.7 9 (g)]: Exemptions from Component 7: Section 8 only PHAs are not required to complete this component and may skip to Component 8.

(1) Capital Fund Program Annual Statement: Using parts I, II, and III of the Annual Statement for the Capital Fund Program (CFP), identify capital activities the PHA is proposing for the upcoming year to ensure long-term physical and social viability of its public housing developments. This statement can be completed by using the CFP Annual Statement tables provided in the table library at the end of the PHA Plan template **OR**, at the PHA's option, by completing and attaching a properly updated HUD-52837.

Select one:

The Capital Fund Program Annual Statement is provided as an attachment to the PHA Plan at Attachment (Capital Fund Parts I, II, III)

The Capital Fund Program Annual Statement is provided below: (if selected, copy the CFP Annual Statement from the Table Library and insert here)

Development Number/Name HA-Wide Activities	General Description of Major Work Categories	Development Account Number	Total Estimated Cost

Table Library

(2) Optional 5-Year Action Plan: Agencies are encouraged to include a 5-Year Action Plan covering capital work items. This statement can be completed by using the 5-Year Action Plan table provided in the table library at the end of the PHA Plan template OR by completing and attaching a properly updated HUD-52834.

a. Yes No: Is the PHA providing an optional 5-Year Action Plan for the Capital Fund? (if no, skip to sub-component 7B)

b. If yes to question a, select one:

The Capital Fund Program 5-Year Action Plan is provided as an attachment to the PHA Plan at Attachment

-or-

The Capital Fund Program 5-Year Action Plan is provided below: (if selected, copy the CFP optional 5-Year Action Plan from the Table Library and insert here)

Optional Table 5-Year Action Plan for Capital Fund (Component 7)

Complete one table for each development in which work is planned in the next 5 PHA fiscal years. Complete a table for any PHA-wide physical or management improvements planned in the next 5 PHA fiscal year. Copy this table as many times as necessary. Note: PHAs need not include information from Year One of the 5-Year cycle, because this information is included in the Capital Fund Program Annual Statement.

B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund): Applicability of sub-component 7B: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

Yes No: a) Has the PHA received a HOPE VI revitalization grant? (if no, skip to question c; if yes, provide responses to question b for each grant, copying and completing as many times as necessary)
b) Status of HOPE VI revitalization grant (complete one set of questions for each grant)

1. Development name:

2. Development (project) number:

3. Status of grant: (select the statement that best describes the current status)

Table Library

- Revitalization Plan under development
- Revitalization Plan submitted, pending approval
- Revitalization Plan approved
- Activities pursuant to an approved Revitalization Plan underway

Yes No: c) Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year?
If yes, list development name/s below:

Yes No: d) Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year?
If yes, list developments or activities below:

Yes No: e) Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement?
If yes, list developments or activities below:

8. Demolition and Disposition: [24 CFR Part 903.7 9 (h)] Applicability of component 8: 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 component 9; if “yes”, complete one activity description for each development.)

2. Activity Description

Yes No: Has the PHA provided the activities description information in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 9. If “No”, complete the Activity Description table below.)

Demolition/Disposition Activity Description
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. Timeline for activity: a. Actual or projected start date of activity: b. Projected end date of activity:

9. Designation of Public Housing for Occupancy by Elderly Families or Families with Disabilities or Elderly Families and Families with Disabilities: [24 CFR Part 903.7 9 (i)]: Exemptions from Component 9; Section 8 only PHAs are not required to complete this section.

1. Yes No: Has the PHA designated or applied for approval to designate or does the PHA plan to apply to designate any public housing for occupancy only by the elderly families or only by families with disabilities, or by elderly families and families with disabilities or will apply for designation for occupancy by only elderly families or only families with disabilities, or by elderly families and families with disabilities as provided by section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) in the upcoming fiscal year? (If “No”, skip to component 10. If “yes”, complete one activity description for each development, unless the PHA is eligible to complete a streamlined submission; PHAs completing streamlined submissions may skip to component 10.)

2. Activity Description

Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If “yes”, skip to component 10. If “No”, complete the Activity Description table below.

Designation of Public Housing Activity Description

1a. Development name:
1b. Development (project) number:
2. Designation type: Occupancy by only the elderly <input type="checkbox"/> Occupancy by families with disabilities <input type="checkbox"/> Occupancy by only elderly families and families with disabilities <input type="checkbox"/>
3. Application status (select one) Approved; included in the PHA's Designation Plan <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date this designation approved, submitted, or planned for submission: (DD/MM/YY)
5. If approved, will this designation constitute a (select one) <input type="checkbox"/> New Designation Plan <input type="checkbox"/> Revision of a previously-approved Designation Plan?
6. Number of units affected:
7. Coverage of action (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development

10. Conversion of Public Housing to Tenant-Based Assistance: [24 CFR Part 903.7 9 (j)]:Exemptions from Component 10; Section 8 only PHAs are not required to complete this section.

A. Assessments of Reasonable Revitalization Pursuant to section 202 of the HUD FY 1996 HUD Appropriations Act

1. Yes No: Have any of the PHA's developments or portions of developments been identified by HUD or the PHA as covered under section 202 of the HUD FY 1996 HUD Appropriations Act? (If "No", skip to component 11; if "yes", complete one activity description for each identified development, unless eligible to complete a streamlined submission. PHAs completing streamlined submissions may skip to component 11.)

2. Activity Description

Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If “yes”, skip to component 11. If “No”, complete the Activity Description table below.

Conversion of Public Housing Activity Description
1a. Development name: 1b. Development (project) number:
2. What is the status of the required assessment? <input type="checkbox"/> Assessment underway <input type="checkbox"/> Assessment results submitted to HUD <input type="checkbox"/> Assessment results approved by HUD (if marked, proceed to next question) <input type="checkbox"/> Other (explain below)
3. <input type="checkbox"/> Yes <input type="checkbox"/> No: Is a Conversion Plan required? (If yes, go to block 4; if no, go to block 5.)
4. Status of Conversion Plan (select the statement that best describes the current status) <input type="checkbox"/> Conversion Plan in development <input type="checkbox"/> Conversion Plan submitted to HUD on: (DD/MM/YYYY) <input type="checkbox"/> Conversion Plan approved by HUD on: (DD/MM/YYYY) <input type="checkbox"/> Activities pursuant to HUD-approved Conversion Plan underway
5. Description of how requirements of Section 202 are being satisfied by means other than conversion (select one) <input type="checkbox"/> Units addressed in a pending or approved demolition application (date submitted or approved: <input type="checkbox"/> Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved:) <input type="checkbox"/> Units addressed in a pending or approved HOPE VI Revitalization Plan

(date submitted or approved:)

- Requirements no longer applicable: vacancy rates are less than 10 percent
- Requirements no longer applicable: site now has less than 300 units
- Other: (describe below)

B. Reserved for Conversions pursuant to Section 22 of the U.S. Housing Act of 1937

C. Reserved for Conversions pursuant to Section 33 of the U.S. Housing Act of 1937

11. Homeownership Programs Administered by the PHA: [24 CFR Part 903.7 9 (k)]

A. Public Housing: Exemptions from Component 11A: Section 8 only PHAs are not required to complete 11A.

1. Yes No: Does the PHA administer any homeownership programs administered by the PHA under an approved section 5(h) homeownership program (42 U.S.C. 1437c(h)), or an approved HOPE I program (42 U.S.C. 1437aaa) or has the PHA applied or plan to apply to administer any homeownership programs under section 5(h), the HOPE I program, or section 32 of the U.S. Housing Act of 1937 (42 U.S.C. 1437z-4). (If “No”, skip to component 11B; if “yes”, complete one activity description for each applicable program/plan, unless eligible to complete a streamlined submission due to **small PHA** or **high performing PHA** status. PHAs completing streamlined submissions may skip to component 11B.)

2. Activity Description

- Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 12. If “No”, complete the Activity Description table below.)

Public Housing Homeownership Activity Description
(Complete one for each development affected)

1a. Development name:

1b. Development (project) number:
2. Federal Program authority: <input type="checkbox"/> HOPE I <input type="checkbox"/> 5(h) <input type="checkbox"/> Turnkey III <input type="checkbox"/> Section 32 of the USHA of 1937 (effective 10/1/99)
3. Application status: (select one) <input type="checkbox"/> Approved; included in the PHA's Homeownership Plan/Program <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application
4. Date Homeownership Plan/Program approved, submitted, or planned for submission: (DD/MM/YYYY)
5. Number of units affected: 6. Coverage of action: (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development

B. Section 8 Tenant Based Assistance

1. 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 component 12; if "yes", describe each program using the table below (copy and complete questions for each program identified), unless the PHA is eligible to complete a streamlined submission due to high performer status. **High performing PHAs** may skip to component 12.)

2. Program Description:

a. Size of Program

- Yes No: Will the PHA limit the number of families participating in the section 8 homeownership option?

If the answer to the question above was yes, which statement best describes the number of participants? (select one)

- 25 or fewer participants
- 26 - 50 participants
- 51 to 100 participants
- more than 100 participants

b. PHA-established eligibility criteria

Yes No: Will the PHA's program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria?

If yes, list criteria below:

12. PHA Community Service and Self-sufficiency Programs: [24 CFR Part 903.7 9 (l)]: Exemptions from Component 12: High performing and small PHAs are not required to complete this component. Section 8-Only PHAs are not required to complete sub-component C.

A. PHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:

Yes No: Has the PHA has entered into a cooperative agreement with the TANF Agency, to share information and/or target supportive services (as contemplated by section 12(d)(7) of the Housing Act of 1937)?

If yes, what was the date that agreement was signed? DD/MM/YY

2. Other coordination efforts between the PHA and TANF agency (select all that apply)

- Client referrals
- Information sharing regarding mutual clients (for rent determinations and otherwise)
- Coordinate the provision of specific social and self-sufficiency services and programs to eligible families
- Jointly administer programs
- Partner to administer a HUD Welfare-to-Work voucher program
- Joint administration of other demonstration program
- Other (describe)

B. Services and programs offered to residents and participants

(1) General

a. Self-Sufficiency Policies

Which, if any of the following discretionary policies will the PHA employ to enhance the economic and social self-sufficiency of assisted families in the following areas? (select all that apply)

- Public housing rent determination policies
- Public housing admissions policies
- Section 8 admissions policies
- Preference in admission to section 8 for certain public housing families
- Preferences for families working or engaging in training or education programs for non-housing programs operated or coordinated by the PHA
- Preference/eligibility for public housing homeownership option participation
- Preference/eligibility for section 8 homeownership option participation
- Other policies (list below)

b. Economic and Social self-sufficiency programs

Yes No: Does the PHA coordinate, promote or provide any programs to enhance the economic and social self-sufficiency of residents? (If “yes”, complete the following table; if “no” skip to sub-component 2, Family Self Sufficiency Programs. The position of the table may be altered to facilitate its use.)

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/random selection/specific criteria/other)	Access (development office / PHA main office / other provider name)	Eligibility (public housing or section 8 participants or both)
Family Self-Sufficiency	50	Specific Criteria	Main Office	Both

Table Library

(2) Family Self Sufficiency program/s

a. Participation Description

Family Self Sufficiency (FSS) Participation		
Program	Required Number of Participants (start of FY 2001 Estimate)	Actual Number of Participants (As of: 06-30-02)
Public Housing	24	10
Section 8	11	36

b. Yes No: If the PHA is not maintaining the minimum program size required by HUD, does the most recent FSS Action Plan address the steps the PHA plans to take to achieve at least the minimum program size?
If no, list steps the PHA will take below:

C. Welfare Benefit Reductions

1. The PHA is complying with the statutory requirements of section 12(d) of the U.S. Housing Act of 1937 (relating to the treatment of income changes resulting from welfare program requirements) by: (select all that apply)

- Adopting appropriate changes to the PHA's public housing rent determination policies and train staff to carry out those policies
- Informing residents of new policy on admission and reexamination
- Actively notifying residents of new policy at times in addition to admission and reexamination.
- Establishing or pursuing a cooperative agreement with all appropriate TANF agencies regarding the exchange of information and coordination of services

- Establishing a protocol for exchange of information with all appropriate TANF agencies
- Other: (list below)

D. Reserved for Community Service Requirement pursuant to section 12(c) of the U.S. Housing Act of 1937

13. PHA Safety and Crime Prevention Measures: [24 CFR Part 903.7 9 (m)]: Exemptions from Component 13: High performing and small PHAs not participating in PHDEP and Section 8 Only PHAs may skip to component 15. High Performing and small PHAs that are participating in PHDEP and are submitting a PHDEP Plan with this PHA Plan may skip to sub-component D.

A. Need for measures to ensure the safety of public housing residents

1. Describe the need for measures to ensure the safety of public housing residents (select all that apply)

- High incidence of violent and/or drug-related crime in some or all of the PHA's developments
- High incidence of violent and/or drug-related crime in the areas surrounding or adjacent to the PHA's developments
- Residents fearful for their safety and/or the safety of their children
- Observed lower-level crime, vandalism and/or graffiti
- People on waiting list unwilling to move into one or more developments due to perceived and/or actual levels of violent and/or drug-related crime
- Other (describe below)

2. What information or data did the PHA use to determine the need for PHA actions to improve safety of residents (select all that apply).

- Safety and security survey of residents
- Analysis of crime statistics over time for crimes committed “in and around” public housing authority
- Analysis of cost trends over time for repair of vandalism and removal of graffiti
- Resident reports
- PHA employee reports
- Police reports
- Demonstrable, quantifiable success with previous or ongoing anticrime/anti drug programs
- Other (describe below)

3. Which developments are most affected? (list below)

B. Crime and Drug Prevention activities the PHA has undertaken or plans to undertake in the next PHA fiscal year

1. List the crime prevention activities the PHA has undertaken or plans to undertake: (select all that apply)

- Contracting with outside and/or resident organizations for the provision of crime- and/or drug-prevention activities
- Crime Prevention Through Environmental Design
- Activities targeted to at-risk youth, adults, or seniors
- Volunteer Resident Patrol/Block Watchers Program
- Other (describe below)

2. Which developments are most affected? MN197003, 005, 006

C. Coordination between PHA and the police

1. Describe the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities: (select all that apply)

- Police involvement in development, implementation, and/or ongoing evaluation of drug-elimination plan
- Police provide crime data to housing authority staff for analysis and action
- Police have established a physical presence on housing authority property (e.g., community policing office, officer in residence)
- Police regularly testify in and otherwise support eviction cases
- Police regularly meet with the PHA management and residents
- Agreement between PHA and local law enforcement agency for provision of above-baseline law enforcement services
- Other activities (list below)

2. Which developments are most affected? (list below)

MN197003, MN197005, MN197006

D. Additional information as required by PHDEP/PHDEP Plan: PHAs eligible for FY 2000 PHDEP funds must provide a PHDEP Plan meeting specified requirements prior to receipt of PHDEP funds.

- Yes No: Is the PHA eligible to participate in the PHDEP in the fiscal year covered by this PHA Plan?
 Yes No: Has the PHA included the PHDEP Plan for FY 2000 in this PHA Plan?
 Yes No: This PHDEP Plan is an Attachment. (Attachment Filename: ____)

14. RESERVED FOR PET POLICY

[24 CFR Part 903.7 9 (n)]

15. Civil Rights Certifications: [24 CFR Part 903.7 9 (o)]

Civil rights certifications are included in the PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations.

16. Fiscal Audit: [24 CFR Part 903.7 9 (p)]

1. Yes No: Is the PHA required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h))?
(If no, skip to component 17.)
2. Yes No: Was the most recent fiscal audit submitted to HUD?
3. Yes No: Were there any findings as the result of that audit?
4. Yes No: If there were any findings, do any remain unresolved?
If yes, how many unresolved findings remain? _____
5. Yes No: Have responses to any unresolved findings been submitted to HUD?
If not, when are they due (state below)?

17. PHA Asset Management: [24 CFR Part 903.7 9 (q)]: Exemptions from component 17: Section 8 Only PHAs are not required to complete this component. High performing and small PHAs are not required to complete this component.

1. Yes No: Is the PHA engaging in any activities that will contribute to the long-term asset management of its public housing stock , including how the Agency will plan for long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs that have **not** been addressed elsewhere in this PHA Plan?
2. What types of asset management activities will the PHA undertake? (select all that apply)
- Not applicable
- Private management
- Development-based accounting
- Comprehensive stock assessment
- Other: (list below)
3. Yes No: Has the PHA included descriptions of asset management activities in the **optional** Public Housing Asset Management Table?

18. Other Information: [24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board Recommendations

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: (if comments were received, the PHA **MUST** select one)
- Attached at Attachment
- Provided below:
3. In what manner did the PHA address those comments? (select all that apply)
- Considered comments, but determined that no changes to the PHA Plan were necessary.
- The PHA changed portions of the PHA Plan in response to comments
List changes below:
- Other: (list below)

B. Description of Election process for Residents on the PHA Board

1. Yes No: Does the PHA meet the exemption criteria provided section 2(b)(2) of the U.S. Housing Act of 1937? (If no, continue to question 2; if yes, skip to sub-component C.)
2. Yes No: Was the resident who serves on the PHA Board elected by the residents? (If yes, continue to question 3; if no, skip to sub-component C.)

3. Description of Resident Election Process

a. Nomination of candidates for place on the ballot: (select all that apply)

- Candidates were nominated by resident and assisted family organizations
- Candidates could be nominated by any adult recipient of PHA assistance
- Self-nomination: Candidates registered with the PHA and requested a place on ballot
- Other: (describe)

b. Eligible candidates: (select one)

- Any recipient of PHA assistance
- Any head of household receiving PHA assistance
- Any adult recipient of PHA assistance
- Any adult member of a resident or assisted family organization
- Other (list)

c. Eligible voters: (select all that apply)

- All adult recipients of PHA assistance (public housing and section 8 tenant-based assistance)
- Representatives of all PHA resident and assisted family organizations
- Other (list) **See Attachment**

C. 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: Minnesota Housing Finance Agency

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 the initiatives contained in the Consolidated Plan. (list below)
- Other: (list below)

4. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: **The HRA received a Certificate of PHA Consistency from the Minnesota Housing Finance Agency on .**

D. Other Information Required by HUD: Use this section to provide any additional information requested by HUD.

Attachments

Use this section to provide any additional attachments referenced in the Plans.

- Statement of Progress in Meeting Missions and Goals Outlined in Current Five-Year Plan (mn197a02)
- Resident Membership of the PHA Governing Board (mn197b02)
- ❑ Section 8 Home Ownership Administration Plan (mn197c02)
- ❑ Procurement Policy (MN197d02)
- ❑ Statement of Policies Governing Admission to and Continue Occupancy Of Low Rent Public Housing Elderly and Family (mn197e02)
- ❑ Utility Allowances Section 8 and Public Housing (mn197f02)
- ❑ Income Limits (mn197g02)
- ❑ Inspection Procedures Manual (mn197h02)
- ❑ Organizational Chart (mn197i02)
- ❑ Denial of Admission to Voucher Program Policy (mn197j02)
- ❑ Termination of Assistance for the Voucher Program (mn197k02)
- ❑ Capital Improvement Plan 2003 (mn197l02)
- ❑ Capital Improvement Plan 2004 (mn197m02)
- ❑ Community Service and Self-Sufficiency Policy (mn197n02)
- ❑ Deconcentration and Income Mixing (mn197o02)
- ❑ Deconcentration Policy (mn197p02)
- ❑ Resident Member on the PHA Governing Board (mn197q02)

Optional Table for 5-Year Action Plan for Capital Fund (Component 7)

Complete one table for each development in which work is planned in the next 5 PHA fiscal years. Complete a table for any PHA-wide physical or management improvements planned in the next 5 PHA fiscal year. Copy this table as many times as necessary. Note: PHAs need not include information from Year One of the 5-Year cycle, because this information is included in the Capital Fund Program Annual Statement.

Optional 5-Year Action Plan Tables				
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development	
MN197-003	Scattered Sites	0	0%	
Description of Needed Physical Improvements or Management Improvements			Estimated Cost	Planned Start Date (HA Fiscal Year)
General Dwelling Improvements- Electric fixtures and systems, Painting, Landscaping, Blinds, Flooring, Plumbing fixtures and systems, Doors, Windows, Siding, Decks, Roofing, Appliances (Stove and Refrigerators), Hot Water Heaters, Furnaces, Water Softeners, Cement work on sidewalks and Driveways.			\$150,000.00	2004
Total estimated cost over next 5 years			\$150,000.00	

Table Library

Optional Table for 5-Year Action Plan for Capital Fund (Component 7)

Complete one table for each development in which work is planned in the next 5 PHA fiscal years. Complete a table for any PHA-wide physical or management improvements planned in the next 5 PHA fiscal year. Copy this table as many times as necessary. Note: PHAs need not include information from Year One of the 5-Year cycle, because this information is included in the Capital Fund Program Annual Statement.

Optional 5-Year Action Plan Tables				
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development	
MN197-004	Scattered Sites	0	0%	
Description of Needed Physical Improvements or Management Improvements			Estimated Cost	Planned Start Date (HA Fiscal Year)
General Dwelling Improvements – Electric fixtures and systems, Painting, Landscaping, Blinds, Flooring, Plumbing fixtures and systems, Doors, Windows, Siding, Decks, Roofing, Appliances (Stove and Refrigerators), Hot Water Heaters, Furnaces, Water Softeners, Cement work on sidewalks and Driveways.			\$150,000.00	2004
Total estimated cost over next 5 years			\$150,000.00	

Optional Table for 5-Year Action Plan for Capital Fund (Component 7)

Complete one table for each development in which work is planned in the next 5 PHA fiscal years. Complete a table for any PHA-wide physical or management improvements planned in the next 5 PHA fiscal year. Copy this table as many times as necessary. Note: PHAs need not include information from Year One of the 5-Year cycle, because this information is included in the Capital Fund Program Annual Statement.

Optional 5-Year Action Plan Tables				
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development	
MN197-005	Maple Grove "A" Building 730 West 6 th St., Wabasha, MN	2	4%	
Description of Needed Physical Improvements or Management Improvements			Estimated Cost	Planned Start Date (HA Fiscal Year)
General Dwelling Improvements- Electric fixtures and systems, Painting, Landscaping, Blinds, Flooring, Plumbing fixtures and systems, Doors, Windows, Siding, Decks, Roofing, Appliances (Stove and Refrigerators), Hot Water Heaters, Furnaces, Water Softeners, Cement work on sidewalks and Driveways, Boilers.			\$150,000.00	2004

Total estimated cost over next 5 years	\$150,000.00	

Optional Table for 5-Year Action Plan for Capital Fund (Component 7)

Complete one table for each development in which work is planned in the next 5 PHA fiscal years. Complete a table for any PHA-wide physical or management improvements planned in the next 5 PHA fiscal year. Copy this table as many times as necessary. Note: PHAs need not include information from Year One of the 5-Year cycle, because this information is included in the Capital Fund Program Annual Statement.

Optional 5-Year Action Plan Tables				
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development	
MN197-006	713 West 6 th St., Wabasha, MN	4	10%	
Description of Needed Physical Improvements or Management Improvements			Estimated Cost	Planned Start Date (HA Fiscal Year)
General Apartment Rehab – Flooring, Cabinets, Doors, Plumbing Fixtures & Systems, Fire Safety, Electric Fixtures & Systems, Hallway Upgrades, Air Conditioners, Stoves, Refrigerators, landscaping, driveways, Painting, Blinds, Windows, Siding, Decks, Roofing, Hot Water Heaters, Boilers, Water Softeners, Furnaces, Cement work on sidewalks and Driveways.			\$150,000.00	2004

Total estimated cost over next 5 years	\$150,000.0	

Optional Public Housing Asset Management Table

See Technical Guidance for instructions on the use of this table, including information to be provided.

Public Housing Asset Management								
Development Identification		Activity Description						
Name, Number, and Location	Number and Type of units	Capital Fund Program Parts II and III <i>Component 7a</i>	Development Activities <i>Component 7b</i>	Demolition / disposition <i>Component 8</i>	Designated housing <i>Component 9</i>	Conversion <i>Component 10</i>	Home-ownership <i>Component 11a</i>	Other (describe) <i>Component 17</i>

Table Library

Statement of Progress in Meeting Mission and Goals Outlined in Current Five-Year Plan

Progress made on each of the HRA's goals stated in the 2004 Annual Plan are outlined below consistent with the numbering in the plan:

1. We anticipate serving 521 households through the Section 8 Rental Assistance Program.
2. Housing rehabilitation deferred loans were provided to 25 households.
3. A newsletter was published in June and January.
4. The Annual Report was completed in April.
5. Program information was inserted in HAP checks once per quarter.
6. The Section 8 Program was marketed through our web page and brochure mailings.
7. The FSS Program is reviewed at each briefing and applicants are encouraged to apply.
8. FSS Program materials are distributed to all service providers in SE Minnesota.
9. The FSS Coordinator works with participants in completing their contracts.
10. SEMMCHRA works directly with WFD and social services to coordinate efforts to assist FSS participants.
11. The FSS Coordinating Committee meets on a quarterly basis.
12. Fair Housing materials are placed in each briefing packet.
13. Fair Housing is discussed at each briefing.
14. Persons are referred to legal services for any fair housing issues.
15. The newsletters contain articles about homeownership programs available through the HRA.
16. Brochures outlining the HRA's homeownership program are distributed to interested persons.
17. The HRA has First Time Home Buyer funding available. All persons inquiring about homeownership opportunities are encouraged to attend homebuyer training and counseling.
18. The HRA applied for and received HOME Rental Rehabilitation funding.

- 19-20. The HRA worked with seven (7) communities and submitted applications for funding for rehabilitation loan/grant programs for two (2) of them.

- 21-22. The HRA worked with two (2) communities and submitted an application for revitalization programs to eliminate slum and blight for one (1) of them; and submitted an application for funding a public facilities project in one (1) of them.

Membership of the Resident Advisory Board

The Resident Advisory Board consists of the following members:

Linda Brown
Wabasha, MN

Frederick Engelking
Pine Island, MN

Christine Flak
Wabasha, MN

Adeline Laska
Wabasha, MN

Denise Herron
Wabasha, MN

Shirley Huth
Wabasha, MN

Staff of the HRA working in conjunction with the Resident Advisory Board includes:

Janeen Sampson
Joseph Wheeler
Anne Bergan

SECTION 8 HOMEOWNERSHIP

ADMINISTRATIVE PLAN

APPROVED
September 19, 2001

REVISED
June 26, 2002

HOMEOWNERSHIP PROGRAM
ADMINISTRATIVE PLAN
August 14, 2001

I. GENERAL PROVISIONS

The Homeownership Program of the Southeastern Minnesota Multi-County Housing and Redevelopment Authority (herein referred to as SEMMCHRA) permits eligible participants in the Section 8 Housing Choice Voucher program the option of purchasing a home with their Section 8 assistance.

II. FAMILY ELIGIBILITY REQUIREMENTS

Each Section 8 homeownership program participant must be an existing recipient of a housing choice voucher or a current resident of Public Housing. In addition to this initial eligibility determination, the family must also meet the following eligibility requirements: 1. be a first-time homebuyer; 2. meet a minimum income requirement excluding income from "welfare assistance" sources (elderly and disabled families are exempt from this eligibility requirement); 3. meet the employment requirement (elderly and disabled families are exempt from this eligibility requirement); 4. have no current homeownership interest in a property; 5. have no prior default on a mortgage using homeownership assistance; 6. be compliant with current lease agreement; and 7. have no outstanding debt or unpaid rent to SEMMCHRA or any other housing authority.

The family must also fulfill the following participation requirements: 1. attend a 6-hour homeownership education course and credit counseling, as needed; 2. each adult member must submit to and pass a criminal background check; 3. an income re-examination must be completed at least one time per year; and 4. portability.

1. First Time Homebuyer.

Each participant must be a first-time homebuyer. First-time homebuyer is defined as an individual that has had no ownership interest in a property during the three (3) years preceding commencement of homeownership assistance. For the purposes of this program, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by the spouse) is considered a first-time homebuyer, as long as the displaced spouse does not have a mortgage obligation. The right to purchase title to a residence under a lease-purchase agreement is not considered "ownership interest". A member of a cooperative does also qualify as a first-time homebuyer.

2. Minimum Income Requirement

At the time the participant receives homeownership assistance, the family must have a gross annual income at least equal to the Federal minimum

hourly wage multiplied by 2000 hours, currently \$10,300. Any welfare assistance income received by the family will not be counted toward meeting the minimum income requirement. The disregard of welfare assistance income under this section affects the determination for the minimum income requirement only, and does not affect the determination of income-eligibility for admission to the Section 8 housing choice voucher program, calculation of the family's total tenant payment, or calculation of the amount of homeownership assistance payments. In the case of an elderly or disabled family, SEMMCHRA will consider income from all sources, including welfare assistance, in evaluating whether the household meets the minimum income required to purchase a home using the homeownership assistance.

3. Employment Requirement

One or more adult members of the family who will own the home at commencement of homeownership assistance must be employed full time, at least an average of 30 hours per week, and have been continuously employed for at least 12 months prior to execution of a purchase agreement. SEMMCHRA may consider whether and to what extent an employment interruption is permissible in satisfying the employment requirement. Participation in the Family Self-Sufficiency program can be considered a compensating factor for borrowers with less than 12 months of employment. SEMMCHRA will also use discretion when it comes to self-employment. In order to reasonably accommodate a family's participation in the program, elderly and disabled individuals, and family's that include a person with disabilities, are exempt from this requirement.

4. Current Homeowners

Persons who already have a mortgage obligation for current homeownership may not utilize the homeownership assistance.

5. Prior Mortgage Default

Any adult household member that would be included as owner or co-owner of the property is ineligible to participate in the homeownership program if they have previously defaulted on a mortgage obtained using homeownership assistance.

6. Lease Compliance

Participant must be compliant with their current lease agreement and all other Section 8 program requirements. Participant must terminate their current lease in compliance with the lease agreement prior to commencement of homeownership assistance.

7. Payment of Housing Authority Debt

If an applicant has an outstanding debt or portion of an outstanding debt owed to SEMMCHRA or any other housing authority, applicant will be unable to participate in the homeownership assistance program, until the debt is paid in full.

FAMILY PARTICIPATION REQUIREMENTS

1. Homeownership Education Course/Credit Counseling

Participation in the homeownership program is conditioned on the family attending and successfully completing a 6-hour homeownership education course provided by or approved by SEMMCHRA, prior to commencement of the homeownership assistance. Participants shall also receive appropriate credit counseling by an approved credit-counseling agency in the event that the participant has credit issues that require further corrective action.

2. Criminal Background Check

Each adult member of the participating family must submit to and pass a criminal background check. Participants that have prior criminal records which include: illegal drug trafficking, possession of an illegal substance with intent to distribute, illegal drug distribution, assault, armed robbery, theft, weapons possession, terrorist threats, fraud, or any other criminal activity considered to be threatening to the health, safety, or well being of others, within 5 years prior to commencement of homeownership assistance, will not be allowed to participate in the homeownership program. SEMMCHRA may make considerations for such criminal history if the participant can show proof that they have received rehabilitation and are currently involved in an on-going treatment program.

3. Annual Income Re-certification

Upon commencement of homeownership assistance, participants must complete an income re-certification at least one time annually. The re-certification process will begin with the application being sent to the participant no less than 90 days in advance of the effective date of the change. Participant must provide all current information regarding household income sources and family composition. All information will be third-party verified by SEMMCHRA. Participant will be notified of the adjustment to the amount of monthly housing assistance in writing no less than 30 days prior to the effective date of the change. SEMMCHRA

will also notify the lender of the change in the amount of monthly housing assistance at least 30 days prior to the effective date of the change.

SEMMCHRA will allow up to two interim adjustments between annual income re-examinations, in order to give consideration for substantial decreases to household income. Substantial decrease to household income would be a decrease of at least \$100 per month to household income.

4. Portability

Families that are determined eligible for homeownership assistance may exercise the homeownership option outside of the jurisdiction of SEMMCHRA if the housing authority where the client is porting to does also administer a Section 8 homeownership program and is accepting new families into its program.

Families porting into our service area must first rent in our service area for 12 months prior to pursuing homeownership using the voucher.

III. FINANCING REQUIREMENTS/PROGRAM PROVISIONS

Once the family is determined eligible to participate in the homeownership program, the participant must comply with the following financing requirements/program provisions: 1. the participant has 180 days following issuance of the homeownership voucher in which to locate and submit a contract for sale on a property; 2. the maximum amount of time a participant can use homeownership assistance is 10 years or 15 years depending on financing terms; 3. the family is responsible for securing their own financing; 4. the assistance cannot be used toward closing costs; 5. the payment standard determines the maximum amount of assistance; 6. the assistance shall be paid to the lender or directly to the family; 7. SEMMCHRA must approve the financing; 8. any further purchasing requirements will be determined by the lender; and 9. there will be recapture provisions.

1. Locating and Purchasing a Property

Once the family has been issued a homeownership assistance voucher, the participant will be given 180 days (6 months) to locate a property to purchase. A home shall be considered "located" when the family submits a proposed contract of sale to SEMMCHRA, which includes the requisite components outlined below. Rental assistance shall continue until such time as the voucher is converted to homeownership assistance, upon closing of the property. Should the family be unable to locate a property to purchase, the voucher may be used toward rental assistance. At its discretion, SEMMCHRA may extend the allotted time given to locate a property.

- Prior to execution of the proposed sales agreement, the sales agreement must provide for an inspection by SEMMCHRA and an additional independent inspection, and must state that the purchaser is not obligated to purchase the property unless such inspections prove to be satisfactory to SEMMCHRA and the buyer. The contract of sale must include a condition that gives SEMMCHRA reasonable time to inspect the home. The agreement must also state that the purchaser is not obligated to pay for any repairs necessary, and that all repairs must be made prior to closing. The proposed sales agreements must also contain a seller certification stating that the seller is not debarred, suspended, or otherwise subject to a limited denial of participation under 24 CFR part 24.

2. Maximum Term of Homeownership Assistance

A participant may receive homeownership assistance for a period not to exceed ten years from the date of initial commencement of the assistance, if the initial mortgage incurred to finance the purchase has a term of less than 20 years. If the initial mortgage incurred to finance the purchase has a term of 20 years or more, then the maximum term for homeownership assistance is 15 years. The time limit applies to any member of the household who has an ownership interest in the property during the time that homeownership assistance payments are made.

Families that qualify as elderly or disabled at the commencement of the assistance are not subject to the maximum term limitation. If a disabled family ceases to qualify as disabled any time during the period of assistance, the appropriate maximum term becomes applicable from the date of commencement of the assistance.

3. Securing Financing

Each participant is responsible for securing their own financing. SEMMCHRA may develop partnerships with lenders, but cannot steer participants to any lender. Participant must receive pre-approval for financing from the families chosen lender, prior to pursuing a property to purchase. If the participant does not receive pre-approval for financing, the participant is responsible for pursuing further credit counseling, etc. in order to insure pre-approval.

4. Closing Cost

The participant is responsible for all cost associated with the closing of the property. Such cost will be outlined on property settlement statement prior to closing. The participant is responsible to provide earnest money

down upon submission of proposed contract of sale. Return of such earnest money is subject to the terms of the contract of sale.

5. Determining the Amount of Subsidy

The maximum subsidy is the lesser of: payment standard minus total family contribution or total monthly homeownership expenses minus total family contribution. The voucher payment standard is the fixed amount SEMMCHRA establishes annually for a unit of a particular size located within the jurisdiction of the home to be purchased. The applicable payment standard will be the lower of either: (1) the payment standard for which the family is eligible for based on family size; or (2) the payment standard which is applicable to the number of bedrooms in the home the family decides to purchase. The payment standard for subsequent years will be based on the higher of: (1) the payment standard in effect at commencement of the homeownership assistance; or (2) the payment standard in effect at the most recent annual income re-examination. The initial payment standard, for purposes of this comparison, will not be adjusted if there is a decrease in family size.

Monthly homeownership expenses include principal and interest on the initial mortgage or principal and interest on refinancing, any mortgage insurance premium incurred to finance the purchase, real estate taxes and public assessments, homeowner's insurance premiums, \$25 maintenance allowance, \$25 major repair allowance, and a utility allowance per SEMMCHRA's schedule of utility allowances.

The total family contribution is that portion of the homeownership expenses that the family must pay. It is generally calculated to be 30% of the family's adjusted monthly income, plus any gap between the payment standard and the actual housing cost. All sources of family income will be counted toward determining the total family contribution.

6. Housing Assistance Payments

SEMMCHRA will provide the Lender with a Certificate of Assistance, prior to closing, which will state the amount of the housing assistance. The housing assistance payment will be made to a limited access account set up through the Lender, unless otherwise required by the Lender, with the family's portion of the mortgage payment going to the same account. Should this option be unacceptable to the Lender, then the housing assistance payment will be made directly to the family, in which case the family will be responsible to submit full payment to the loan servicer.

7. SEMMCHRA Approval of Financing

The proposed financing terms must be submitted to and approved by SEMMCHRA prior to commencement of homeownership assistance. The lender must comply with generally accepted mortgage underwriting standards.

8. Further Purchasing Requirements

Any purchasing, down payment, financing and mortgage payment requirements will be determined by the mortgage product and lender the family chooses. The participant must comply with the terms set forth by the mortgage.

9. Recapture of Homeownership Assistance

The homeownership assistance provided to the family is subject to total or partial recapture upon the sale or refinance of the home. Sales proceeds that are used by the family to purchase a new home with Section 8 homeownership assistance are not subject to recapture. Further, a family may refinance to take advantage of better terms without any recapture penalty, provided that no proceeds are "cashed out". Only cashed out proceeds from refinancing and sales proceeds not used to purchase a new home with homeownership assistance are subject to recapture. Further, the amount of homeownership assistance subject to recapture shall automatically be reduced in annual increments of 10% beginning one year from the purchase date. At the end of 10 years, the amount of homeownership assistance subject to recapture will be zero.

IV UNIT REQUIREMENTS

When participants are ready to locate a property to be purchased, the unit must be approved by SEMMCHRA using the following guidelines: 1. only certain housing types will be allowed; 2. the unit must pass an HQS inspection as well as an independent inspection; 3. the unit must be the participants primary place of residence.

1. Type of Home

Homeownership assistance can be used to purchase the following type of home within the service area of SEMMCHRA, which includes the counties of Dodge, Wabasha, Winona (excluding the City of Winona), Goodhue (refer to Joint Powers Agreement for Red Wing), Fillmore and Houston: an existing single family dwelling, condominium, town home, cooperative, or mobile home on land owned by the homeowner. The home must already exist or be under construction at the time SEMMCHRA determines that the family is eligible for homeownership

assistance. The unit to be purchased must be the only unit on the property, unless it is a condominium, town home, or cooperative, and must not be defined as “ineligible” by HUD. Duplexes are not eligible properties.

2. Inspection

A SEMMCHRA representative must complete an inspection, to insure that the property complies with the Housing Quality Standards (HQS) of the Section 8 program. Any items found that do not comply with the HQS standards must be repaired prior to commencement of homeownership assistance. Repair of such items are the seller’s responsibility. The independent inspection must also be done to cover major building systems and home quality. The independent inspector is chosen and paid for by the participant. A copy of the inspection report must be given to SEMMCHRA.

3. Primary Place of Residence

The property to be purchased must be the family’s primary place of residence. Homeownership assistance will only be provided while the family resides in the home. The family will not be allowed to rent any space or room in the home to a third party. Only those household members listed on commencement of homeownership assistance will be allowed to live in the unit, unless otherwise approved by SEMMCHRA with prior notification from the participant. The family is not allowed to sell or transfer any portion of ownership interest to anyone other than a member of the assisted household who resided in the home while receiving homeownership assistance. Any changes in family composition must be reported to SEMMCHRA immediately.

V. TERMINATION POLICIES

Continued participation and termination of homeownership assistance is contingent on the following participant obligations: 1. failure to comply with the terms of the mortgage; 2. assistance discontinues automatically 180 days following the last homeownership assistance payment; 3. failure to comply with family obligations under Section 8 housing choice voucher program or the Section 8 homeownership assistance program.

1. Mortgage Delinquency/Default

The family must comply with the terms of any mortgage incurred to purchase the property. The participant must notify SEMMCHRA immediately following a mortgage payment delinquency (delinquency is defined as full payment not received within 30 days of due date). SEMMCHRA will require the family to attend ongoing budget and credit

counseling in the event that the family has three (3) delinquent payments while using the homeownership assistance. In the event of default on the mortgage obligation, the homeownership assistance will cease the first of the month following the removal of the family from the property. If the family defaults, SEMMCHRA may permit the family to move with continued assistance through the Section 8 housing choice voucher rental assistance program if the family demonstrates that it has (1) conveyed title of the home to the lender, or other third party and (2) moved from the home within the period of time designated by the lender.

2. Automatic Discontinuation of Homeownership Assistance

Participation in the homeownership assistance program will continue until such time as the assistance payment amounts to zero (\$0) for a period of six (6) consecutive months.

3. Failure to Comply with Family Obligations

A participant's homeownership assistance may be terminated if the family fails to comply with its obligations under the Section 8 housing choice voucher program as outlined in the Section 8 housing choice voucher program administrative plan or the Section 8 homeownership assistance program, as outlined in the Section 8 homeownership assistance program administrative plan. The participant is required to read, understand, and sign a Statement of Homeownership Obligations prior to commencement of homeownership assistance, as show on Appendix A. SEMMCHRA will notify the participant in writing of the incident and give the family a reasonable amount of time to correct the non-compliance. If the participant fails to correct the problem, the participant shall be entitled to the same termination notice and informal hearing procedures as set forth in the administrative plan of the Section 8 housing choice voucher program. If the participant follows through with the informal hearing and is found to be noncompliant, the homeownership assistance will terminate the first of the month following the incident, and the family will be responsible for the full mortgage payment amount.

SEMMCHRA may give consideration to convert the homeownership assistance voucher to a housing choice rental assistance voucher on a case-by-case basis. In a case where the homeownership assistance voucher is not allowed to be converted to rental assistance, the family must re-apply to the Section 8 housing choice voucher program and be placed on the waiting list.

THE EXECUTIVE DIRECTOR OF SEMMCHRA SHALL HAVE THE DISCRETION TO WAIVE OR MODIFY ANY OR ALL PROVISIONS OR POLICIES OF THE SECTION 8 HOMEOWNERSHIP ASSISTANCE PROGRAM NOT GOVERNED BY STATUTE OR REGULATION FOR GOOD CAUSE OR TO COMPLY WITH CHANGES IN HUD REGULATIONS OR DIRECTIVES.

APPENDIX A: SECTION 8 HOMEOWNERSHIP PROGRAM
FAMILY OBLIGATIONS

The following paragraphs describe your responsibilities under the Section 8 Homeownership Assistance Program. If you, or any member of your household, do not comply with these responsibilities, through your actions or your failure to act, the assistance you receive through the Section 8 Homeownership Assistance Program may be terminated.

1. Family Obligations. You must comply with all family obligations of the Section 8 Housing Choice Voucher program including:
 - (a) Supplying required information. (1) The family must supply any information that the HA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR, part 5). Information includes any requested certification, release or other documentation. (2) The family must supply any information requested by the HA or HUD for use in a regularly scheduled re-examination or interim re-examination of family income and composition in accordance with HUD requirements. For provisions on re-examination and computation of income, see 24 CFR paragraph 813. (3) The family must disclose and verify social security numbers (as provided by part 5, subpart B, of this title) and must sign and submit consent forms for obtaining information in accordance with part 5, subpart B, of this title and 24 CFR part 813. (4) Any information supplied by the family must be true and complete.
 - (b) Use and occupancy of unit. The family must use the assisted unit for residency by the family. The unit must be the family's only residence. (2) The composition of the assisted residing in the unit must be approved by the HA. The family must promptly inform the HA of the birth, adoption or court-awarded custody of a child. The family must request HA approval to add any other family member as an occupant of the unit. No other person (i.e. no one but members of the assisted family) may reside in the unit (except for foster children or live-in aide as provided in paragraph (h) (4) of this section). (3) The family must promptly notify the HA if any family member no longer resides in the unit. (4) If the HA has given approval, a foster child or a live-in aide may reside in the unit. The HA has the discretion to adopt reasonable policies concerning residence by a foster child or live-in aide, and defining when HA consent may be given or denied. (5) Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family. (6) The family must not sublease or let the unit. (7) The family must not assign the lease or transfer the unit.
 - (c) Absence from the unit. The family must supply any information or certification requested by the HA to verify that the family is living in the unit, or relating to family absence from the unit, including any HA-requested

information or certification on the purposes of family absence. The family must cooperate with the HA for this purpose. The family must promptly notify the HA of absence from the unit.

- (d) Fraud and other program violation. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.
- (e) Crime by family members. The members of the family may not engage in drug-related criminal activity, or violent criminal activity (see section 982.553).
- (f) Other housing assistance. An assisted family, or members of the family may not receive Section 8 assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, state or local housing assistance program.

2. Housing Counseling. All participating family members (i.e. those signing the purchase offer and loan documents) must satisfactorily complete an approved homeownership-counseling course provided by SEMMCHRA or other approved agency. SEMMCHRA may also require additional credit and budget counseling as a condition of continued assistance.

3. Contract of Sale. You must include the following contract conditions to the contract of sale: (1) that SEMMCHRA has a reasonable amount of time to perform the HQS inspection of the property; (2) that any items found needing repair must be done so by the seller prior to property closing; (3) that the buyer is not obligated to pay for any cost incurred to repair any needed items; (4) that an independent inspection of major building systems and home quality must be performed on the property and a copy of that inspection must be provided to SEMMCHRA; and (5) that the seller certifies that they are not debarred, suspended, or otherwise subject to limited denial of participation in federally assisted programs as set forth by HUD. **YOU MUST ADVISE YOUR REALTOR OR BUYER'S AGENT OF THESE REQUIREMENTS.**

4. Mortgage Obligations. You must comply with the terms of any mortgage incurred for the purchase of the property and must notify SEMMCHRA immediately of any late payment or default notice received. The family must sign an authorization for release of information to allow the lender to notify SEMMCHRA of such delinquency.

5. Occupancy. You must occupy the unit as your principal place of residence. You may not sell, transfer, convey or assign any interest in the property without prior notification to SEMMCHRA of your intent to do so, or without SEMMCHRA approval. You must notify SEMMCHRA in writing at least 30 days prior to your moving from the property.

6. Annual Income Re-examination. You must provide SEMMCHRA with current household income and family composition information at least one time annually.
7. Default. In the event of loan default of your mortgage obligation, you must cooperate with SEMMCHRA and the lender to minimize any loss to the lender, in order to maintain your eligibility to continue as a participant in the Section 8 housing choice voucher rental assistance program.
8. Refinancing. You must notify SEMMCHRA in writing of any proposal to refinance the original purchase mortgage or of any proposal to encumber the property with secondary financing and obtain SEMMCHRA's written approval of such financing prior to executing any loan documents.
9. Recapture. You must sign and have recorded a lien, in the form required by HUD, securing SEMMCHRA's right to recapture a percentage of homeownership assistance provided to you upon your sale or refinancing of the home within a 10 year period after the initial purchase date of the home. The amount of recapture shall be calculated in accordance with HUD regulations and shall be subject to automatic reduction of 10% increments annually beginning one year from the purchase date.

By signing below, I attest that I have read and that I understand my obligations as a participant in the Section 8 Homeownership Assistance program. I agree to abide by these responsibilities. I understand that SEMMCHRA may terminate my homeownership assistance if I do not comply with any of these obligations. I also understand that I may request an informal hearing of any proposed notice of termination prior to the termination becoming effective.

Participant Signature

Date

Co-Participant Signature

Date

Program Coordinator Signature

Date

PROCUREMENT POLICY

This Procurement 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.

1.0 GENERAL PROVISIONS

1.1 PURPOSE

The purpose of this Procurement Policy is to provide a procurement system of quality and integrity; to assure that the SEMMCHRA procures supplies, service and construction effectively, efficiently and at the most favorable prices; and to assure that SEMMCHRA purchasing actions are in full compliance with applicable Federal standards, HUD regulations, and State and local laws. To the extent possible and in the best interests of the SEMMCHRA, American-made equipment and products shall be purchased with HUD funds.

1.2 APPLICATION

This Procurement Policy applies to all contracts for the procurement of supplies, services, and construction entered into by the SEMMCHRA after the effective date of this Policy. It shall apply to every expenditure of Federal funds by the SEMMCHRA for public purchasing, irrespective of the source of funds, including contracts that do not involve an obligation of funds (such as concession contracts). Nothing in this Policy, however, shall prevent the SEMMCHRA from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with law. The term "procurement," as used in this Policy includes both contracts and modifications (including change orders) for construction or services, as well as purchase, lease, or rental of supplies and equipment.

1.3 PUBLIC ACCESS TO PROCUREMENT INFORMATION

Procurement information shall be a matter of public record to the extent provided by State law and shall be available to the public as provided by that law.

1.4 EXECUTIVE DIRECTOR'S RESPONSIBILITIES

The Contracting Officer shall administer all procurement transactions. The Contracting Officer shall be the Executive Director or any other individual so designated by the Executive Director. Any delegations of contracting authority must be documented in writing. The Contracting Officer shall ensure that the following occur:

A. Procurement requirements are subject to a planning process to assure efficient and

economical purchasing;

- B. Contracts and modifications are in writing and clearly specify the desired supplies, services, or construction; 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 the basis for the contract price; and that contracts and modifications are awarded only by SEMMCHRA employees designated in writing as having such authority;
- C. For procurements other than small purchases, public notice is given of each upcoming procurement, an adequate time period is provided for preparation and submission of bids or proposals, and notice of contract awards is made available to the public;
- D. Solicitation procedures are conducted in full compliance with Federal standards stated in 24 CFR 85.36, or State and local laws that are more stringent, provided they are consistent with 24 CFR 85.36;
- E. An independent cost estimate is prepared before solicitation is issued and is appropriately safeguarded for each procurement above the small purchase limitation, and a cost or price analysis is conducted of the responses received for all procurements;
- F. Contract award is made to the responsive and responsible bidder offering the lowest price (for sealed bid contracts) or contract award is made to the offeror whose proposal offers the greatest value to the SEMMCHRA, considering price, technical, and other factors as specified in the solicitation (for contracts awarded based on competitive proposals); unsuccessful firms are notified within ten days (or other time period required by State or local law) after contract award;
- G. Work is inspected before payment, and payment is made promptly for contract work performed and accepted; and
- H. The SEMMCHRA complies with applicable HUD review requirements and any local procedures supplementing this Statement.

1.5 CONTRACTOR RESPONSIBILITY

Procurements shall be conducted only with responsible contractors, i.e., those who have the technical and financial competence to perform and who have a satisfactory record of integrity. The SEMMCHRA shall review each proposed contractor's ability to perform the contract successfully, considering factors such as the contractor's integrity (including a review of the List of Parties Excluded from Federal Procurement and Nonprocurement Programs published by the U.S. General Services Administration), compliance with public policy, record of past performance (including contacting previous clients of the

contractor, such as other Housing Authorities), and financial and technical resources. Contracts shall not be awarded to debarred, suspended, or ineligible contractors.

1.6 QUALIFIED BIDDER'S LISTS

Interested businesses shall be given an opportunity to be included on a qualified bidder's lists. Any pre-qualified lists of persons, 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.

1.7 COMPETITIVE SPECIFICATIONS

The SEMMCHRA shall seek full and open competition in all of its procurement transactions. All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying the SEMMCHRA'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 procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

1.8 LIMITATIONS ON COMPETITION

The following specification limitations shall be avoided: geographic restrictions not mandated or encouraged by applicable Federal law (except for architect-engineer 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 identified item will satisfy the SEMMCHRA's needs); and 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 laws. Specifications shall be scrutinized to ensure that organizational conflicts of interest do not occur (for example, having a consultant perform a study of the SEMMCHRA's computer needs and then allowing that consultant to compete for the subsequent contract for the computers).

1.9 COOPERATIVE PURCHASING

The SEMMCHRA may enter into State and local intergovernmental agreements to purchase or use 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 SEMMCHRA shall use Federal or State excess and surplus property instead of purchasing new equipment and property whenever such use is feasible and reduces project costs.

2.0 PROCUREMENT METHODS

2.1 SMALL PURCHASE PROCEDURES

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

- A. General** - Any contract not exceeding \$50,000 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 5.0 of this Policy).
- B. Petty Cash Purchases** - Small purchases less than Five Hundred Dollars (\$500.00) 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 (e.g., one month), security is maintained, and only authorized individuals have access to the account. The account shall be periodically reconciled and replenished by submission of a voucher to the SEMMCHRA's Finance Director and periodically audited by the Finance Director or designee to validate proper use and to verify that the account total equals cash on hand plus the total of accumulated vouchers.
- C. Small purchases of \$1,000 or less** - For small purchases below \$1,000 [or the dollar limit established in D below], only one quotation need be solicited 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.
- D. Small purchases over \$1,000** - For small purchases in excess of \$1,000 [or a higher amount up to 10% of the dollar limit in A above] but not exceeding \$25,000 [or a lower dollar limit stated in A above] no less than three offerors shall be solicited to submit price quotations. These quotes may be obtained orally, by telephone, or in writing, as allowed by State or local laws. 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 architect-engineer contracts. 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 a public record (unless otherwise provided in State or local law).

2.2 SEALED BIDDING

- A. 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 preferred method for construction procurement. For modernization projects, sealed bidding shall be used for all construction and equipment contracts exceeding the small purchase limitation. For professional services contracts, sealed bidding should not be used.
- B. Solicitation and Receipt of Bids** - An invitation for bids shall be issued including specifications and all contractual terms and conditions applicable to the procurement, including 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. A bidder may withdraw its bid at any time prior to bid opening.
- C. Bid Opening and Award** - Bids shall be opened publicly, an abstract of bids shall be recorded, and the bids shall be available for public inspection. If equal low bids are received from responsible bidders, award shall be made by drawing lots or similar random method, unless otherwise provided 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.
- D. Mistakes in Bids** -
1. 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 nonjudgmental character was made, the nature of the mistake, and the bid price actually intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its 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.

2. 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 SEMMCHRA or fair competition shall be permitted.
3. **Bonds** - In addition to the other requirements of this Policy, the following requirements apply:
 - a. For construction contracts exceeding \$100,000, other than those specified in 3b and 3c below, contractors shall be required to submit the following, unless otherwise required by State or local laws or regulations:
 - (1) a bid guarantee from each bidder equivalent to 5% of the bid price; and
 - (2) a performance bond for 100% of the contract price; and
 - (3) a payment bond for 100% of the contract price.
 - b. In the case of construction of conventional development projects funded pursuant to the U.S. Housing Act of 1937, the contractor shall be required to submit the following, unless otherwise required by State or local laws or regulations:
 - (1) a bid guarantee from each bidder equivalent to 5% of the bid price; and
 - (2) one of the following:
 - (i) a performance and payment bond for 100% of the contract price; or
 - (ii) a 20% cash escrow; or
 - (iii) a 25% irrevocable letter of credit.
 - c. In the case of construction under the Comprehensive Grant Program or the Capital Fund Program funded pursuant to the U.S. Housing Act of 1937, for any contract over \$25,000, the contractor shall be required to submit the following, unless otherwise required by State or local laws or regulations:

- (1) a bid guarantee from each bidder equivalent to 5% of the bid price; and
- (2) one of the following:
 - (i) a performance and payment bond for 100% of the contract price; or
 - (ii) separate performance and payment bonds, each for 50% or more of the contract price; or
 - (iii) a 20% cash escrow; or
 - (iv) a 25% irrevocable letter of credit.

2.3 **COMPETITIVE PROPOSALS**

- A. Conditions for Use** - Competitive proposals (including turnkey proposals for development) may be used if there is an adequate method of evaluating technical proposals and where the SEMMCHRA determines that conditions are not appropriate for the use of sealed bids. An adequate number of qualified sources shall be solicited (normally, at least 3).
- B. 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 established before the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals. The proposals shall be evaluated only on the criteria stated in the request for proposals.
- C. Negotiations** - Unless there is no need for negotiations with any of the offerors, 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 shall be to seek clarification with regard to and 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 assisted in bringing its proposal up to the level of any other proposal. Offerors shall not be directed to reduce their proposed prices to a specific amount in order to be considered for award. A common deadline shall be established for receipt of proposal revisions based on negotiations.

- D. **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 advantageous to the SEMMCHRA.
- E. **Architect/Engineer Services** - Architect/engineer services in the excess of the small purchase limitation (or less if required by State or local law) may be obtained by either the competitive proposals method or qualifications-based selection procedures, unless State law mandates a specific method. Sealed bidding, however, shall not be used to obtain architect/engineer services. 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. Price is not used as a selection factor under this method. Qualifications-based selection procedures shall not be used to purchase other types of services even though architect-engineer firms are potential sources.

2.4 **NONCOMPETITIVE PROPOSALS**

- A. **Conditions for Use** - Procurements 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 purchase procedures, sealed bids, or competitive proposals, and one of the following applies:
 - 1. The item is available only from a single source, based on a good faith review of available sources;
 - 2. An emergency exists that seriously threatens the public health, welfare, or safety; endangers property; or would otherwise cause serious injury to the SEMMCHRA, as may arise by reason of a flood, earthquake, 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 emergency;
 - 3. HUD authorizes the use of noncompetitive proposals; or
 - 4. After solicitation of a number of sources, competition is determined inadequate.
- B. **Justification** - Each procurement based on noncompetitive proposals shall be supported by a written justification for using such procedures.

- C. **Price Reasonableness** - The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing a cost analysis, as described in section 2.5 below.

2.5 COST AND PRICE ANALYSIS

- A. **General** - Some form of cost or price analysis shall be performed for all procurement actions, including contract modifications, using the procedures described in HUD Handbook 2210.18. The method of analysis shall be determined as follows. The degree of analysis shall depend on the facts surrounding each procurement.
- B. **Submission of Cost or Pricing Information** - If the procurement is based on noncompetitive proposals, or when only one offer is received, or for other procurements as deemed necessary by the SEMMCHRA (e.g., when contracting for professional, consulting, or architect/engineer services) the offeror shall be required to submit:
 - 1. A cost breakdown showing projected costs and profit;
 - 2. Commercial pricing and sales information, sufficient to enable the SEMMCHRA to verify the reasonableness of the proposed price as a catalog or market price of a commercial product sold in substantial quantities to the general public; or
 - 3. Documentation showing that the offered price is set by law or regulation.
- C. **Cost Analysis** - Cost analysis shall be performed if an offeror/contractor is required to submit a cost breakdown as part of its proposal. When a cost breakdown is submitted a cost analysis shall be performed of the individual cost elements, the SEMMCHRA shall have a right to audit the contractor's books and records pertinent to such costs, and profit shall be analyzed separately. Costs shall be allowable only to the extent that they are consistent with applicable Federal cost principles (for commercial firms, Subpart 31.2 of the Federal Acquisition Regulation, 48 CFR Chapter 1). In establishing profit, the SEMMCHRA shall consider factors such as the complexity and risk of the work 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.
- D. **Price Analysis** - For competitive procurements in which cost or pricing information is not required of contractors, the SEMMCHRA shall perform a comparison of prices received in relation to the independent cost estimate, to ensure that the price being paid is reasonable.

2.6 CANCELLATION OF SOLICITATIONS

An invitation for bids, request for proposals, or other solicitation may be cancelled before offers are due if the SEMMCHRA no longer requires the supplies, services or construction; the SEMMCHRA 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. 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.

3.0 TYPES OF CONTRACTS, CLAUSES, AND CONTRACT ADMINISTRATION

3.1 CONTRACT TYPES

Any type of contract which is appropriate to the procurement and which will promote the best interests of the SEMMCHRA may be used, provided that the cost plus a percentage of cost and percentage of construction cost methods are prohibited. All procurements shall include the clauses 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 impracticable to satisfy the SEMMCHRA's needs otherwise; the proposed contractor's accounting system is adequate to allocate costs in accordance with applicable cost principles (for commercial firms, see HUD Handbook 2210.18); and the contractor is paid only allowable costs. 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 its own risk.

3.2 OPTIONS

Options for additional quantities or performance periods may be included in contracts, provided that (i) the option is contained in the solicitation; (ii) the option is a unilateral right of the SEMMCHRA; (iii) the contract states a limit on the additional quantities and the overall term of the contract; (iv) the options are evaluated as part of the initial competition; (v) the contract states the period within which the options may be exercised; (vi) the options may be exercised only at the price specified in or reasonably determinable from the contract; and (vii) the options may be exercised only if determined to be more advantageous to the SEMMCHRA than conducting a new procurement.

3.3 CONTRACT CLAUSES

In addition to containing a clause identifying the contract type, all contracts shall include any clauses required by Federal statutes, executive orders, and their implementing regulations, as provided in 24 CFR 85.36(i), such as the following:

- A. Termination for convenience
- B. Termination for default

- C. Equal Employment Opportunity
- D. Anti-Kickback Act
- E. Davis-Bacon Act
- F. Contract Work Hours and Safety Standards Act
- G. Reporting requirements
- H. Patent rights
- I. Rights in data
- J. Examination of records by Comptroller General, and retention of records for three years after closeout
- K. Clean air and water
- L. Energy efficiency standards
- M. Bid protests and contract claims
- N. Value engineering
- O. Payment of funds to influence certain Federal transactions.

3.4 CONTRACT ADMINISTRATION

A contract administration system designed to ensure that contractors perform in accordance with their contracts shall be maintained. The system shall include procedures for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on construction contracts, and similar matters.

4.0 APPEALS AND REMEDIES

4.1 GENERAL

It is the SEMMCHRA's policy to resolve all contractual issues informally at the SEMMCHRA level, without litigation. Disputes shall not be referred to HUD until all administrative remedies have been exhausted at the SEMMCHRA level. When appropriate, the SEMMCHRA 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 violations of Federal law or regulations and failure of the SEMMCHRA to review a complaint or protest.

4.2 *BID PROTESTS*

Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this Policy. Any protest against a solicitation must be received before the due date for receipt of bids or proposals, and any protest against the award of a contract must be received within ten (10) calendar days after contract award, or the protest will not be considered. All bid protests shall be in writing and submitted to the Contracting Officer 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.

4.3 *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 contractor of its appeal rights to the Executive Director.

5.0 ASSISTANCE TO SMALL AND OTHER BUSINESSES

5.1 *REQUIRED EFFORTS*

Consistent with Presidential Executive Orders 11625, 12138, 12432, and Section 3 of the HUD Act of 1968, the SEMMCHRA shall make efforts to ensure that small and minority-owned businesses, women's business enterprises, and individuals or firms located in or owned in substantial part by persons residing in the area of an SEMMCHRA development are used when possible. Such efforts shall include, but shall not be limited to the following:

- 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 and the Minority Business Development Agency of the Department of Commerce;

- F. Including in contracts a clause requiring contractors, to the greatest extent feasible, to provide opportunities for training and employment for lower income residents of the development 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 development, as described in 24 CFR 135; and
- G. Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed in A through F above.

5.2 DEFINITIONS

A small business is defined as a business that is independently owned, not dominant 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 SEMMCHRA 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 its voting stock is owned by one or more minority group members, and whose management and daily business operations 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 woman or women who are U.S. citizens and who also control or operate the business.

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

6.0 ETHICS IN PUBLIC CONTRACTING

6.1 GENERAL

The SEMMCHRA shall adhere to the following code of conduct and shall establish a system of sanctions for violations consistent with applicable State or local law.

6.2 CONFLICT OF INTEREST

No employee, officer or agent of this SEMMCHRA 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:

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

6.3 GRATUITIES, KICKBACKS, AND USE OF CONFIDENTIAL INFORMATION

SEMMCHRA officers, employees or agents shall not solicit or accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to subcontracts and shall not knowingly use confidential information for actual or anticipated personal gain.

6.4 PROHIBITION AGAINST CONTINGENT FEES

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

**SOUTHEASTERN MINNESOTA MULTI-COUNTY
HOUSING AND REDEVELOPMENT AUTHORITY**

**STATEMENT OF POLICIES GOVERNING ADMISSION
TO AND CONTINUED OCCUPANCY OF
LOW RENT PUBLIC HOUSING
ELDERLY & FAMILY**

Notice to all holders of the policy:

The policies contained herein are subject to change, without prior notice to policy holders, by action of the Department of Housing and Urban Development and/or the Commissioners of the Southeastern Minnesota Multi-County Housing and Redevelopment Authority (SEMMCHRA). The regulations of the Department of Housing and Urban Development for the Section 8 program are incorporated by reference as if fully set forth herein.

Revised: 2003

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PART 1

DEFINITIONS

1. **Adjusted Income:** Annual Income Less:
 - A. \$480 for each Dependent;
 - B. \$400 for any Elderly Family;
 - C. For any family that is not an elderly family but has a handicapped or disabled member other than the head-of-household or spouse/co-head, handicapped assistance expenses in excess of three (3) percent of Annual Income but this allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the handicapped or disabled person;
 - D. For any Elderly Family:
 1. That has no handicap assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed three (3) percent of annual income;
 2. That has handicap assistance expenses greater than or equal to three (3) percent of annual income, an allowance for handicapped assistance expenses computed as defined in Paragraph C, of this Section, plus an allowance for medical expenses that is equal to the family's medical expenses;
 3. That has handicapped assistance expenses that are less than three (3) percent of annual income, an allowance for combined handicapped assistance expenses and medical expenses that is equal to the amount by which the sum of these expenses exceeds three (3) percent of annual income;
 - E. Child Care Expenses.
2. **Alien:** A person who owes allegiance to another county or government.
3. **Annual Income:**
 - A. Annual income is the anticipated total income from all sources received by the Family head and spouse/co-head (even if temporarily absent) and by each additional member of the Family, including all net income derived from assets, for the twelve (12) month period following the effective date of initial determination or reexamination of income, exclusive of certain types of income as defined in Paragraph C, of this Section. 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 re-determination at the end of the shorter period.

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

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
2. 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;
3. 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. All allowances for depreciation is permitted only as defined in Paragraph (B)(2), 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;
4. 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 (but see paragraph (c)(14) of this section);
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay, except as defined in Paragraph (C)(3), of this Section;
6. If the Welfare Assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:
 - (a) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
 - (b) The maximum amount 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;

7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions and gifts received from persons not residing in the dwelling; and
8. All regular pay, special pay and allowances of a member of the Armed Forces, except as defined in Paragraph (C)(7), of this Policy.

C. **Annual Income does not include the following:**

1. Income from employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children;
3. 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, deferred periodic payments received in a lump sum from SSI and Social Security, except as defined in Paragraph (B)(5), of this Section;
4. Amounts received by the Family, that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
5. Income of a Live-in Aide, as defined in #13 of this Section;
6. Amounts of scholarships funded under Title IV of the Higher Educational Act of 1965, including awards under the Federal Work Study Work Program or under the Bureau of Indian Affairs student assistance programs;
7. The special pay to a Family member in the Armed Forces who is exposed to hostile fire;
8.
 - (a) Amounts received under training programs funded by HUD;
 - (b) Amounts received by a Disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS); or
 - (c) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

- (d) A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200) per month) received by a public housing resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in public housing. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No Resident may receive more than one such stipend during the same period of time; or
 - (e) Compensation from State or local employment training programs and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance by the PHA;
- 9. Temporary, nonrecurring or sporadic income (including gifts);
 - 10. For all initial determinations and reexamination of income carried out on or after April 23, 1993, 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;
 - 11. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
 - 12. Adoption assistance payments in excess of \$480 per adopted child;
 - 13. The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the U.S. Housing Act of 1937 (42 U.S.C. 1437 et seq.), or any comparable Federal, State, or local law during the exclusion period. For purposes of this paragraph, the following definitions apply.
 - (i) Comparable Federal, State or local law means a program providing employment training and supportive services that --
 - (A) Is authorized by a Federal, State or local law;
 - (B) Is funded by the Federal, State or local government;
 - (C) Is operated or administered by a public agency; and
 - (D) Has as its objective to assist participants in acquiring employment skills.
 - (ii) Exclusion period means the period during which the resident participates in a program described in this section, plus 18 months from the date the resident begins the first job acquired by the resident after a completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937 (42 U.S.C. 1437 et seq.). If the resident is terminated from employment without good cause, the exclusion period shall end.

(iii) Earnings and Benefits means the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job;

14. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment.
 15. 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;
 16. Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
 17. 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 the United States Housing Act of 1937. A notice will be published in the Federal Register and distributed to PHAs identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.
- D. 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 re-determination at the end of the shorter period.
- E. Any family receiving the reparation payments as defined in Paragraph (C)(10), of this Policy, that has been requested to repay assistance as a result of receipt of such payments shall not be required to make further repayments on or after April 23, 1993.
4. **Assets:** Include cash, (including checking accounts), stocks, bonds, savings, equity in real property, capital investments, or the cash value of life insurance policies not including the value of personal property such as furniture, automobiles and household affects.
 5. **Ceiling Rents:** Maximum rent limits and based on the reasonable market value of the housing. Ceiling rents are reviewed annually.
 6. **Child:** A member of the family, other than the family head or spouse, who is under 18 years of age.
 7. **Child Care Expense:** 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/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.
 8. **Citizen:** A citizen or national of the United States.

9. **Contract Rent:** The rent HUD authorized an owner to collect for a unit occupied by a household receiving assistance.
10. **Co tenant:** A person who shares the dwelling unit and is treated as a head of the house for purposes of intake, eligibility, screening, and occupancy.
11. **Current Illegal Use of Drugs:** The use of drugs that occurred recently enough to justify a reasonable belief that a person's drug use is current or that continuing use is a real and ongoing problem. The owner has established in the Tenant Selection Plan reasonable policies and procedures to ensure that an individual who formerly engaged in the illegal use of drugs is not currently using illegal drugs.
12. **Dependent:** A member of the household, other than head, spouse, sole member, foster child, or live-in aide, who is under 18 years of age, or 18 years of age older and disabled, handicapped, or a full-time student. (Note: a pregnant woman is not entitled to the dependent allowance until after the birth of the child.)
13. **Disabled Person:** A person under a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423) or who has a developmental disability as defined in Section 102 (7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 (7)).
14. **Discrimination:** The unlawful consideration of such characteristics as race, color, creed, religion, national origin, sex, age, sexual orientation, handicap/disability, familial or marital status, status with regard to public assistance or class membership in the selection or provision of services to applicants and tenants.
15. **Displaced Person:** A person displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under Federal disaster relief laws.
16. **Domestic Violence:** Actual or threatened physical violence directed against a person or one or more of that person's family members by a spouse or other household member.
17. **Drug-Related Criminal Activity:** The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance.
18. **Elderly Family:** A Family whose head or spouse/co-head (or sole member) is an Elderly, Disabled or Handicapped Person. It may include two (2) or more Elderly, Disabled or Handicapped Persons living together, or one or more of these persons living with one or more Live-in Aides.
19. **Elderly Person:** A person who is at least 62 years of age.
20. **Family:** A Family consists of; a) two (2) or more persons who have a stable family-type relationship; b) an elderly family; or c) a displaced person.
21. **Flat Rents:** The flat rent is based on the value of the unit and designed so that it does not discourage families working towards economic self-sufficiency. Flat rents are reviewed annually.

22. **Full-Time Student**: A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.
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. **Handicapped Person**: A person having a physical or mental impairment that; (a) is expected to be of long-continued and indefinite duration; (b) substantially impedes his/her ability to live independently; and (c) is of such nature that such ability could be improved by more suitable housing conditions.
25. **Hate Crime**: Actual or threatened physical violence or intimidation that is directed against a person or his property and that is based on the person's race, color, religion, sex, national origin, handicap or familial status.
26. **Head of the Household**: The head of the household refers to the family member who is held responsible and accountable for the household.
27. **Household**: The individual, family, or group of individuals living together as a unit.
28. **House Rules**: Rules established by the owner for the safety, care and comfort of the tenants. The House Rules are attachment to, and part of, the lease.
29. **HUD 50058**: The form required by HUD to certify eligibility to receive assistance.
30. **HUD Passbook Rate**: The percentage rate applied to determine the imputed income from assets when the total cash value of the household's assets exceeds \$5,000.
31. **Imputed Income from Assets**: The estimated earning potential of assets held by a tenant using the potential earning rate established by HUD.
32. **INS**: The United States Immigration and Naturalization Service.
33. **Income**: The amount of money received (actual or projected) by a household during the course of the year.
34. **Ineligible Applicant**: An applicant who is ineligible to receive assistance.
35. **Initial Certification**: The first certification of eligibility completed for a tenant.
36. **Interim Adjustment**: A re-certification completed between regular re-certification dates as the result of changes in the tenant's circumstances.

37. **Lease:** The contractual agreement between the owner and the tenant that established the rights, responsibilities, and obligations of each party and the conditions for the rental of the unit. The lease must be signed and dated by all assisted tenants.
38. **Lessee:** Members of the tenants household who must sign the lease in order for it to be legal and binding.
39. **Lessor:** The owner and/or management agent assigns who rents a unit under a lease.
40. **Live-In Aide:** A person who resides with an elderly, disabled, or handicapped person(s) and who; (a) is determined by the HRA 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 necessary supportive services.
41. **Lower Income Family:** A Family whose 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 on the basis of its finding that such variations are necessary because of prevailing levels of constructions costs or unusually high or low family incomes.
42. **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 any insurance.
43. **Medical Expense Allowance:** For purpose of adjusted income determination, for elderly families only, medical expense allowance means the medical expense in excess of 3% of Annual Income, where these expenses are not compensated for or covered by insurance.
44. **Mixed Family:** A family whose members include those with citizenship or eligible immigration status, and those citizenship or eligible immigration process.
45. **Monthly Adjusted Income:** One-twelfth of adjusted income, (annual income less allowances).
46. **Monthly Income:** One twelfth of Annual Income.
47. **Near Elderly Family:** A family whose head or spouse/co-head (or sole member) is at least 50 years of age and below the age of 62 years.
48. **Net Family Assets:** The net cash value, after deducting reasonable costs that would be incurred in disposing of the asset.
49. **Public Housing Agency (PHA):** Any State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development or operation of housing for lower income families.
50. **Re-certification:** The process of annually re-determining and verifying an assisted tenant's eligibility to continue receiving assistance.

51. **Security Deposit**: The amount collected from the tenant at the time of move-in that is held against future damages or non-payment of rent.
52. **Single Person**: A person who lives alone or intends to live alone and who does not qualify as an elderly family or a displaced person or as the remaining member of a tenant Family.
53. **Single Room Occupancy (SRO)**: A unit which contains no sanitary facilities or food preparation facilities, or which contains one but not both types of facilities and which is suitable for occupancy by a single eligible individual capable of independent living.
54. **Spouse**: The husband or wife of the head of the household.
55. **Tenant Rent**: The amount payable monthly by the Family as rent to the HRA. Where all utilities (except telephone) and other essential housing services are supplied by the HRA, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone) and other essential housing services are not supplied by the HRA and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less the Utility Allowance.
56. **Total Tenant Payment**: The monthly amount calculated as defined in Part 8, of this Policy.
57. **Utility Allowance**: If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the Tenant Rent but is the responsibility of the Family occupying the unit, an amount equal to the estimate made or approved by the HRA or HUD, as defined in Appendix C, of this Policy, of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservation household of modest circumstances consistent with the requirements of a safe, sanitary and healthful living environment.
58. **Utility Reimbursement**: 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.
59. **Very Low-Income Family**: A Lower Income family whose Annual Income does not exceed 50 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 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.
60. **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.

PART 2

ELIGIBILITY REQUIREMENTS

1. **Profile Requirements:**

To apply for Public Housing, applicants must be qualified under the income limits established by the U.S. Department of Housing and Urban Development (HUD), for the type of development, and for the size and type of unit available. Being eligible, however, is not an entitlement to housing. In addition, every applicant must meet the tenant selection criteria. The tenant selection criteria are used to demonstrate the applicant's suitability as a tenant using verified information on past behavior to document the applicant's ability, either alone or with assistance, to comply with the rules governing tenancy. The applicant will be judged on current and past behavior and practices related to tenancy and not on any attribute or behavior, which may be imputed to a particular group or category of persons of which an applicant may be a member. Applicants must also qualify in accordance with one or more of the following eligibility criteria:

- A. **Income Limits** - To be financially eligible, the applicant family must meet the income limits as defined in Appendix A; and
- B. **Family** - A Family consist of; (a) two or more persons who have a stable family-type relationship; (b) an elderly family; or (c) a displaced person, as defined in Part 1 of this Policy; or
- C. **Single Person** - A person who lives alone or intends to live alone and who does not qualify as an elderly family or a displaced person or as the remaining member of a tenant Family.
- D. **Elderly Family** - An elderly household consists of either a single person or family where the head or spouse is at least 62 years old, handicapped or disabled persons who are living together, or one or more such persons living with someone essential to their care or well-being, i.e., "a live-in aide or attendant."
- E. **Disabled** - A disabled household includes a person who is under a disability as defined in Section 223 of the Social Security Act, or in Section 102(7) of the Development Disabilities Assistance and Bill of Rights Act [42 U.S.C. 6001(7)].

2. **Non-Economic Eligibility Criteria:**

In determining eligibility, the following factors shall apply:

- A. Whether the conduct of the applicant in present or prior housing has been such that admission to the program would adversely affect the health, safety, or welfare of other residents, or the physical environment, or the financial stability of the project. A record of any of the following may be sufficient cause for the Authority to deny eligibility:
 - 1. an applicants past performance in meeting financial obligations especially rent;

2. a record of disturbance of neighbors, destruction of property, or unacceptable living or housekeeping habits;
3. a history of criminal activity involving crimes of physical violence to persons or property or a record of other criminal acts which would adversely affect the health, safety, or welfare of other residents.
4. The ability of the applicant to meet the tenant's obligation of the lease. This involves the HRA judging whether the applicant:
 - a. could live independently or could be assisted in doing so with available resources.
 - b. would be old enough and sufficiently capable to sign a lease and abide by its terms.

B. An HA must deny admission to public housing to any person who the HA determines is illegally using a controlled substance, or that it has reasonable cause to believe that such 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.

An HA must deny admission to any tenant evicted from federally assisted housing by reason of drug-related criminal activity, and shall not be eligible for federally assisted housing during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency.

An HA must prohibit admission to such housing for any household that includes any individual who is subject to a lifetime registration requirement under a State sex offender registration program.

An HA must deny admission to public housing to any person for whom the HA determines that there is reasonable cause to believe that the person abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

The HA may waive the requirement to deny admission in these circumstances if the person demonstrates to the HA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol and:

- 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);
- has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

-- is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

C. In determining eligibility for admission, the Authority shall rely upon sources of information which may include, but not be limited to, the applicant (by means of interviews and/or home visits), Authority records, previous landlords, employers, family social workers, parole officers, court records, drug treatment centers, clinics, physicians or police departments where warranted by particular circumstances.

Any criminal records received will be maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

The HRA will provide the applicant or tenant with a copy of the criminal record and an opportunity to dispute the accuracy or relevancy of the record, before any adverse action based on a criminal conviction record is taken.

D. Prior to the execution of any lease between the Authority and applicant, the Authority will certify in writing that the family meets all conditions governing eligibility.

E. 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 and to factors which might indicate a reasonable probability of favorable future conduct or financial prospects for example: evidence of rehabilitation; evidence of the applicants family's participation in or willingness to participate in social service or other appropriate counseling service programs and availability of such programs; evidence of the applicant family's willingness to attempt to increase family income and the availability of training or employment programs in the locality.

3. The HRA must promptly notify any applicant determined ineligible for admission to a project of the basis for such determination, and must provide the applicant upon request, within a reasonable time after the determination is made, an opportunity for an informal hearing on such determination.

4. Annual Re-examinations: Once each year the Authority shall re-examine each Tenant Family related to the rent charge and size of the dwelling unit required in accordance with an established reexamination schedule.

INELIGIBLE APPLICANTS

An applicant is considered ineligible if:

- * The household members, regardless of age, fail to submit evidence of citizenship or eligible immigration status.
- * The household's annual gross income is greater than the applicable income limit established by HUD.

- * Management determines that the applicant and/or household member(s) do not meet the tenant selection criteria or the criteria under which the property was developed.

Any ineligible applicants admitted under the following limitations must pay contract rent:

- * If the HAP Agreement was signed on or after October 1, 1981; i.e., Post '81 Universe, applicants must be of very low income status. Owners may not, without written approval, admit income ineligible applicants.
- * If the HAP Agreement was signed before October 1, 1981; i.e., Pre '81 Universe, applicants must be of low or very low income status. Owners may not, without written approval, admit income ineligible applicants.

REJECTING APPLICANTS

Applicants may be rejected if:

- * The applicant is ineligible;
- * The applicant's household characteristics are not appropriate for the size or type of units that are available;
- * The applicant does not meet the owner's resident selection criteria;
- * The applicant fails to disclose and document all Social Security Numbers or execute a certification when numbers have not been assigned;
- * The applicant was/is unable to fulfill obligations and comply with all terms of the previous or current Lease/Rental Agreement;
- * The applicant has a record of chronic late, underpayment or nonpayment of rightful obligations, including rent and utilities;
- * The applicant has a record of disruptive behavior;
- * The applicant has a record of destruction of property;
- * The applicant has a record of poor living or housekeeping habits;
- * The applicant has a history of criminal activity involving crimes of physical violence to persons or property, or a record of other criminal acts which may endanger the health, safety or welfare of other residents;
- * Permanently prohibit occupancy in any public housing dwelling unit by any person who has been convicted of manufacturing or otherwise producing methamphetamine in violation of any Federal or State law.
- * An HA must prohibit admission to such housing for any household that includes any individual who is subject to a lifetime registration requirement under a State sex offender registration program.

- * The applicant has been evicted for material non-compliance, or “other good cause”, from current or previous housing;
- * The applicant has a history of activities that would be injurious to the reputation of the property and/or be likely to cause an increase in the rate of hazard insurance on the property;
- * The applicant purposefully falsified, misrepresented or withheld information or submitted inaccurate and/or incomplete information on any applicant or during the interview related to eligibility, award of preference for admission, allowance, family composition or rent;
- * The applicant has current or recent problems involving chemical or drug dependency resulting in any of the other reasons for non-selection; and/or
- * The applicant refused to comply with housing program requirements, policies and/or procedures

Note: The term “applicant” is inclusive of the applicant and all other household members. Unwitting errors that do not secure an advantage with regard to program eligibility preferences, or rent will not be used as a basis to reject applicants.

Applicants may be denied particular units and placed on a waiting list if the household’s characteristics are not appropriate for the size or type of units that are available at that time.

If HRA does not place an applicant on the waiting list or immediately process the applicant for admission, HRA must promptly notify the applicant in writing of the rejection, and explain in the notice the reasons for the rejection, and

- * that the applicant has 14 days to respond in writing or to request a meeting to discuss the rejection.
- * if the applicant is an individual with handicaps, the applicant may inform HRA of this fact and may ask them to make reasonable accommodations in the policies or practices to enable the applicant equal opportunity.

Any meeting with the applicant or review of the applicant’s written response must be conducted by a member of the management staff who did not make the initial decision to reject the applicant. If the applicant appeals the rejection, the property manager must give the applicant a written decision within 5 days of the response or meeting.

HRA must keep the following materials on file for at least three (3) years: application, initial rejection notice, any applicant reply, owner’s final response, and all interview and verified information on which the owner based the rejection.

MITIGATING CIRCUMSTANCES

HRA will hold a second interview with any applicant known to have a disability or handicap who cannot meet one or more of the tenant screening criteria. The purpose of this interview is to determine whether it is possible to admit the applicant through consideration of mitigating circumstances or by applying reasonable accommodation.

Mitigating circumstances would be facts, (that can be verified), that would overcome or outweigh information gathered in the tenant screening process.

Acceptable evidence of mitigating circumstances may include the following:

- * Verification that unacceptable past behavior is either no longer in effect or otherwise controlled.
- * Applicants who claim unacceptable behavior resulting from alcoholism or drug addiction must verify that they are not currently engaging in alcohol abuse or the use of illegal drugs. Current abuse is defined as use more than 120 days prior to the date of application.

During the period that the applicant is claiming no current use, the applicant's behavior in the previously unacceptable area must have shown improvement. Unimproved behavior shall be taken to construe that either the applicant's unacceptable behavior was not caused by alcohol or drug abuse, or the applicant is still engaging in alcohol or drug abuse. Lack of improvement in a previously unacceptable area shall result in a rejected application.

HRA shall also have the right to request further information reasonably needed to verify a mitigating circumstance, even if such information is of a medically confidential nature. If the applicant refuses to provide or give access to such further information, HRA will give no further consideration to the mitigating circumstances.

PART 3

VERIFICATIONS

All income and asset information for admission and continued occupancy will be verified by the Authority. Written inquiries will include a statement of the purpose of the inquiry and a statement signed by the applicant to permit the source to release information.

When an applicant or tenant reports annual income that appears to be less than adequate for the family's needs, or if the family appears to be eligible for income that is not reported to be received, (i.e., welfare, unemployment compensation, child support, etc.) the absence of such income will be verified.

All verification will be obtained within 60 days of initial lease date and 120 days for all subsequent reexamination to ensure that current and accurate data are being used in calculating rents and eligibility.

All decreases reported in income which affect rent between admission and reexamination will be verified in accordance with the above provisions.

Tenant files will contain documentation of all verification.

Applicants/tenants must furnish verification or provide authorization for the Authority to obtain verification of all statements regarding income, assets, and allowance from a third party. Certification by signing the application for admission or the application for continued occupancy will normally be considered sufficient verification of family composition.

All income, assets, and each applicable deduction for exemption will be verified at the time of admission and at each subsequent reexamination. Income will be verified by third party verification. If third party written verification is not possible, a review of documentation provided by the family such as benefit checks, income tax returns, benefit award letters, savings and checking account statements, estimated market value of real estate from tax statements, United States savings bond redemption values, and other supporting documents may be accepted. In cases where third party verification cannot be obtained, the Authority will document the reason why another method was used. (United States Treasury checks will not be photocopied).

The following statements will also be verified and documented in the tenant file:

1. Age of family members when the sole factor determining eligibility is age or when necessary to support exemptions claimed for dependents.
2. Displacement, handicap disability, veteran or serviceman status when they are a factor in determining eligibility or preference.

For persons who claim disability but who are not recipients of benefits under Section 223 of the Social Security Act or Section 102(b) 5 of the Developmental Disabilities Services and Facilities Construction Amendment of 1970, a Doctor's Certification as to the degree and possible length of such disability shall be required. The receipt of veterans' benefits for disability, either service-incurred or otherwise, does not automatically establish eligibility by disability.

3. Full-time student status.
4. Non-economic selection criteria when information provides the basis for denial of eligibility based on the past conduct of the applicant or members of his or her family.

TENANT SELECTION AND ASSIGNMENT POLICIES

The Tenant Selection and Assignment Policies have been designed by the Authority to take into consideration the needs of individual families for low-income housing and the statutory purpose in developing and operating a socially and financially sound low-income housing program which provides a decent home and a suitable living environment and fosters economic and social diversity in the tenant body as a whole.

The Authority, in order to attain a tenant population with a broad range of incomes representative of low-income families in the Authority's jurisdiction, will select tenants from the waiting list with rent paying ability sufficient for the Authority's housing program to maintain financial stability.

In order to attain these goals:

1. The Authority will, on an annual basis, compare the actual distribution of incomes of all tenant families in residence in the HRA's projects with the distribution of incomes of all low-income families in the HRA's area of jurisdiction, and determine the average rent required to meet the average operating costs of the project.
2. The Authority will not discriminate against any applicant because of race, color, religion, sex of household head, national origin, marital status, handicap or receipt of public assistance. The Authority will not automatically deny admission to a particular group or category of otherwise eligible applicants (e.g. unwed mothers or families with children born out of wedlock).
3. Each applicant will be assigned his/her appropriate place on a community-wide basis in sequence based upon date and time his/her application is received, suitable type or size of unit, and factors affecting preference or priority established by the Local Authority's regulations. At a given time, the applicant first on the waiting list shall be offered a suitable unit at the location that contains the largest number of vacancies. If the applicant rejects the unit offered he or she shall be moved to the last place on the eligible waiting list. A Family that is on a Section 8 waiting list will not lose its place on that waiting list by applying for the HRA's public housing projects.

In carrying out the above plan, should the applicant present to the satisfaction of the Local Authority clear evidence that acceptance of a given offer of a suitable vacancy will result in undue hardship not related to considerations of race, sex, religion, color, national origin or language, such as inaccessibility to source of employment, children's day care and the like, refusal of such an offer shall not be counted as one of the number of allowable refusals permitted an applicant before placing his/her name at the bottom of the eligible list.

4. Not less than 40 percent (40%) shall be occupied by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income per family size. The HA will not concentrate very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing projects or certain buildings within projects.

5. Reassignment or transfers to other dwelling units shall be made without regard to race, color, national origin, religion, creed, sex, age or handicap as follows:
 - A. Tenants shall not be transferred to a dwelling unit of equal size either within a project or between projects, except for alleviating hardships as determined by the Executive Director or his/her designee;
 - B. Transfers within the projects shall be made to correct occupancy standards;
 - C. Transfers required to comply with occupancy standards shall take precedence over new admissions.
6. To preclude admission of applicants whose habits and practices reasonably may be expected to have a detrimental effect on the tenants or project environment the Housing Authority will follow the requirements as defined in Part 2, (2)(B) of this Policy.
7. Preference factors in the selection of tenants. The Authority in selecting eligible applicants to fill available units of suitable size shall give consideration to the following factors:
 1. Preference will be given to an applicant who is a resident in our six county service area.
 2. Preference will be given to handicapped persons when a handicapped unit becomes available.

PART 5

LOCAL PREFERENCES

Service Area

In assigning eligible applicants to a place on the waiting list, the HRA shall give consideration to the following factor, along with the date eligibility was established, in the order shown:

- A. Whether the applicant is a resident of the HRA's Service Area.
 - 1. Elderly families and individuals who has lived in the service area and/or who were forced to move to other localities for reasons beyond their control shall be entitled to a preference.
 - 2. Applicants who are working in or who have been hired to work in the HRA's Service area shall be entitled to this preference.

Homeless

Preference will be given to Homeless families. A homeless family includes any individual or family who:

- 1. Lacks a fixed, regular, and adequate nighttime residence; and
- 2. Has a primary nighttime residence that is:
 - a. A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - b. An institution that provides a temporary residence for individuals intended to be institutionalized; or
 - c. A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. A homeless family does not include any individual imprisoned or otherwise detained pursuant to an Act of congress or of a State Law.

The definition of a Homeless Program would include participation in Transitional Housing Programs.

Family Self Sufficiency

Participants of the Family Self-sufficiency Program will be given a local preference. The HRA has a special allocation of 31 certificates and 25 public housing slots awarded under HUD's Family Self Sufficiency (FSS) to help very low income families become economically independent and obtain decent, safe and affordable housing. The certificates and public housing slots can be interchanged as needed to assist 56 participants with rental assistance. To be eligible for one of these slots the applicant must have been on the waiting list and willing to meet with the Manager to develop a FSS plan and sign a five year FSS contract.

Of the public housing dwelling units made available for occupancy in any fiscal year by eligible families, not less than 40 percent (40%) shall be occupied by families whose incomes, at the time of commencement of occupancy, do not exceed 30 percent (30%) of the area median income per family size

PART 6

OCCUPANCY STANDARDS

Dwelling units will be assigned as follows:

- A. No more than two (2) persons would be required to occupy a bedroom;
- B. Persons of different generations, persons of opposite sex, (other than spouse/co-heads) and unrelated adults would not be required to share a bedroom;
- C. Children (including foster children) of the same sex share a bedroom;
- D. Children, with the possible exception of infants, would not be required to share a bedroom with persons of different generations, including their parents;
- E. A live-in care attendant who is not a member of the family should not be required to share a bedroom.

Following is the range of persons per bedroom:

NUMBER OF BEDROOMS	NUMBER OF PERSONS	
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	3	6
4	5	8
5	7	10

If, because of a physical or mental handicap of a household member or a person associated with that household, a family may need a unit that is larger than the unit size suggested above.

Such standards may be waived when a vacancy problem exists and it is necessary to achieve or maintain full occupancy by temporarily assigning a family to a larger size unit than is required. Such family will be transferred to the proper size unit as soon as one becomes available.

PART 7

WAITING LIST

1. One waiting list will be maintained for all low rent projects. The waiting list will consist of apparently eligible applicants, based on type and size of unit required, factors affecting preference, and date and time the application was received. Application forms will be completed to the extent that all factors of eligibility are included and a determination can be made by the Authority on the apparent eligibility status of the applicant.
2. Contact will be made annually with apparently eligible persons on the waiting list to keep a current list of persons actually remaining interested in, and apparently eligible for housing.
3. The Waiting List will be maintained as defined in Part 4 and Part 5, of this Policy.

Effective April 1, 1996:

Each family Assisted in Public Housing must pay a monthly minimum rent of not less than \$25.00. The Total Tenant Payment must be the greatest of:

- 30 percent of family monthly adjusted income
- 10 percent of family monthly income;
- \$25 minimum rent.

Each family assisted with Public Housing must pay a monthly minimum rent of not less than \$25. "Minimum rent" refers to minimum total tenant payment (TTP) and not minimum tenant rent (TP). For families subject to a utility allowance, the families will be subject to a minimum TTP but could still be entitled to a utility reimbursement if the utility allowance is greater than the TTP.

Exceptions to the application of the minimum monthly rental amount will apply to any family unable to pay because of financial hardship which include: 1) 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; 2) the family would be evicted as a result of the imposition of the minimum rent requirement; 3) the income of the family has decreased because of changed circumstances, including loss of employment; 4) a death in the family has occurred; and 5) other circumstances determined by the HRA.

An exemption may not be provided if the hardship is determined temporary. The HA may not evict the family for nonpayment of rent on the basis of hardship if the hardship is determined by the HA to be temporary during the 90 day period beginning upon the date of the family's request for the exemption. During this 90 day period, the family must demonstrate that the financial hardship is of a long term basis. If the family demonstrates that the financial hardship is of a long-term basis, the HA shall retroactively exempt the family from the applicability of the minimum rent requirement for the 90 day period. The HA will request reasonable documentation of hardship under the circumstances.

The HRA will exercise discretion to refrain from evicting affected families, and using alternative means of assistance, such as rescheduling rental payments.

The HRA will counsel affected families on the availability of assistance, if any, to help with their rental payments (e.g. Federal and State homeless and welfare assistance that may be used to prevent eviction), and referring the families to the appropriate local service agencies or homeless assistance programs for rental assistance;

If needed the HRA will use the operating reserve derived from administrative fees under Section 8 (q) of the United States Housing Act of 1937 for the purpose of paying all or part of the minimum rent required (this is an eligible use of reserve funds).

PART 8

SCHEDULE OF RENTS

For tenants in occupancy on or after January 26, 1996, the Total Tenant Payment shall be the highest of the following, rounded to the nearest dollar:

- A. 30% of monthly adjusted income;
- B. 10% of monthly income; or
- C. If the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing cost, is specifically designated by such agency to meet the family's housing cost the monthly portion of such payments which is so designated. 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; or
- D. \$25 minimum rent

Ceiling Rents

The HRA has adopted and applied ceiling rents that reflect the reasonable market value of the housing, but that are not less than --

- (i) For housing other than housing predominantly for elderly or disabled families (or both), 75 percent of the monthly cost to operate the housing of the agency;
- (ii) For housing predominantly for elderly or disabled families (or both), 100 percent of the monthly cost to operate the housing of the agency; and
- (iii) The monthly cost to make a deposit to a replacement reserve (in the sole discretion of the public housing agency); and

The ceiling rent will not be more than 30 percent of a family's adjusted income. Ceiling rents will be reviewed annually. Adjustments to rent will be made at re-certification time.

Effective June 1, 2003

Bedroom Size	Wabasha Co.	Goodhue Co.	Dodge Co.
One	\$389	N/A	N/A
Two	\$493	N/A	N/A
Three	\$586	\$707	\$572
Four	\$669	\$776	\$620

Flat Rents

The HRA has established a flat rent for each public housing unit. The flat rent is based on the value of the unit and designed so that it does not discourage families working towards economic self-sufficiency. Income of families paying the flat rent must be reviewed not less than once every three years; incomes of families paying income-based rents must continue to be reviewed once a year. Flat rents will be reviewed annually.

Tenants may choose rental payments annually, based on either a flat rent or the income-based rent method. Tenants may choose to pay the HRA's established income-based rental payment, which does not exceed 30 percent of their adjusted monthly income. In the event a family's income decreases due to financial hardship, tenants may elect to pay an income-based rent because the higher flat rent is no longer affordable.

Effective; June 1, 2003

	Flat Rent
Wabasha County	
One Bedroom	\$389
Two Bedrooms	\$493
Three Bedrooms	\$586
Goodhue County	
Three Bedrooms	\$707
Four Bedrooms	\$776
Dodge County	
Three Bedrooms	\$572
Four Bedrooms	\$620

Switching Rent Determination Methods Because Of Hardship Circumstances. Financial hardships would include:

1. Situations in which the income of the family has decreased because of changed circumstances, loss of reduction of employment, death in the family, and reduction in or loss of income or other assistance.
2. An increase, because of changed circumstances, in the family's expenses for medical costs, child care, transportation, education, or similar items; and;
3. Such other situations as may be determined by the agency.

ADDITIONAL CHARGES

1. **Security Deposit:**

Each Tenant is required to pay a security deposit in an amount determined by the Authority. Such payments must be made prior to occupancy, unless other arrangements are made with the management. The security deposit will be held until the tenant moves out and will be returned within twenty-one (21) days with interest if the following conditions are met:

- A. There is not unpaid rent or other charges for which the tenant is liable;
- B. The apartment and all equipment are left reasonably clean and all trash and debris has been removed by the tenant;
- C. There is no breakage or damage which is not due to normal wear; and
- D. All keys issued to the tenant are turned into the Management Office when the tenant vacates the apartment.

The security deposit may not be used during occupancy to pay charges. Interest on the security deposit must be returned to the tenant and can not be applied toward unpaid rent or other charges. The amount of Security Deposit required is defined in Appendix B.

2. **Excess Utility Consumption:**

Where the utilities are included in the contract rent as defined in Appendix C, the Authority will charge each tenant for utility usage in excess of necessary amounts. These charges will be determined either by a Schedule of Charges for use of Tenant-Supplied Major Appliances as defined in Appendix C, or by individual check metering where the Authority will charge for actual usage in excess of the established necessary amounts.

PART 10

LEASING

1. Prior to admission a lease shall be signed and dated by the family head and spouse/co-head and by the Authority.
2. The lease is to be current at all times and must be compatible with Authority Policies as well as state and Federal law.
3. Notices of Rent Adjustments will be issued to amend the dwelling lease and signed and dated by both the Authority and the tenant. This procedure provides formal acknowledgment of the rent change and documents that appropriate notice has been provided to tenants who incur rent increases.

Documentation will be included in the tenant file to support proper notice.

4. Schedules of special charges for services, repairs and utilities, and rules and regulations which are required to be incorporated in the lease by reference shall be publicly posted in a conspicuous manner in the project office and shall be furnished to applicants and tenants on request. Such schedules, rules and regulations may be modified from time to time, provided that at least thirty day written notice is given, to each affected tenant setting forth the proposed modification, the reasons therefore, and providing the tenant an opportunity to present written comments which shall be taken into consideration prior to the proposed modifications becoming effective.

A copy of such notice shall be:

- A. Delivered directly or mailed to each tenant; or
 - B. Posted in at least three conspicuous places within each structure or building on which the affected dwelling units are located, as well as in a conspicuous place at the project office, if any, or if none, a similar central business location within the project.
5. Any modifications of the lease must be accomplished by a written rider to the lease signed by both parties.

PART 11

REEXAMINATION OF TENANT ELIGIBILITY AND RENTAL ADJUSTMENTS

1. The HRA must reexamine income and composition of all tenant families at least once every twelve (12) months and determine whether the family's unit size is still appropriate.
2. The Authority will require a written Application for Continued Occupancy from each family, signed by the head of the family or the spouse/co-head which will set forth in adequate detail all data and information necessary to enable the Authority to determine; (1) the rent to be charged; and (2) the size of the apartment required.

Verifications will be followed as defined in Part 3, of this Policy.

3. The HRA shall not commence eviction proceedings, or refuse to renew a lease, based on the income of the tenant family unless; a) it has been identified, for possible rental by the family, a unit of decent, safe and sanitary housing of suitable size at a rent not exceeding the tenant rent as defined by the Authority for the purpose of determining rents; or b) it is required to do so by local laws.
4. Once rent is established, such rental rate shall remain in effect until the next annual reexamination, special reexamination or an interim rent adjustment for an unanticipated change in income or family composition. Anytime any of the following circumstances occur rent and income will be reviewed and rent adjusted as defined in Part 8, of this Policy:
 - A. A decrease in Family Income which would lower the rent as defined in Part 8, of this Policy;
 1. Total Tenant Payment will not be decreased due to a welfare reduction if the welfare assistance was reduced specifically because of fraud or failure to participate in an economic self-sufficiency program or comply with a work activities requirement. The prohibition on reduction of Public Housing rent is applicable only if the welfare reduction is neither the result of the expiration of a lifetime limit on receiving benefits nor, a situation where the family has complied with welfare program requirements but cannot obtain employment (e.g., the family has complied, but loses welfare because of a durational time limit such as a cap on welfare benefits for a period of no more than two years in a five year period). Written documentation from the welfare department, verifying the reason for the reduced welfare benefits must be obtained before a request for re-certification is denied.
 - B. A change in Family composition which would increase/decrease the rent as defined in Part 8, of this Policy.
5. Increases in rent resulting from rent reviews are to be effective the first of the second month following the change.

6. If, upon reexamination, it is found that the size or composition of a family or household has changed so that the apartment occupied by the family contains a number of rooms less or greater than necessary to provide decent, safe and sanitary accommodations as described in the Occupancy Standards in Part 6, Management shall give notice of at least thirty (30) days to the tenant that the tenant will be required to move to another unit, as soon as one is available.

7. In the event it is found that a tenant has misrepresented to Management the facts upon which his/her rent is based, so that the rent paid is less than should have been charged, the increase in rent shall be made retroactive to the date the change should have been made. If management determines that tenant has gained admission or remained in occupancy in the Housing Authority's project through tenant's willful misrepresentation of income or assets, Management shall notify the tenant that the tenant has thirty (30) days to find other housing and vacate the leased premises.

PART 12

LEASE TERMINATIONS

1. The tenant may terminate the lease by providing the Authority with one month plus one day written notice as defined in the lease agreement.
2. The lease may be terminated by the Authority at any time by the giving of written notice for good cause such as but not limited to nonpayment of rent or other charges due under the Lease, or repeated chronic late payment of rent; failure to provide timely and accurate statements of income, assets, expenses and family composition at Admission, Interim, Special or Annual Rent Re-certification; assignment or subleasing of the premises or providing accommodation for boarders or lodgers; use of the premises for purposes other than solely as a dwelling unit for the Tenant and the Tenant's household as identified in the Lease, or permitting its use for any other purpose; failure to abide by necessary and reasonable rules made by the Landlord for the benefit and well being of the housing project and the Tenants; failure to abide by applicable building and housing codes materially affecting health or safety; failure to dispose of garbage, waste and rubbish in a safe and sanitary manner; failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner; acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts; failure to pay reasonable charges (other than normal wear and tear) for the repair of damages to the premises, project buildings, facilities or common areas;. Any activity, not just criminal activity on or off the premises, not just on or near the premises, pattern of illegal use of a controlled substance and/or alcohol abuse that the HA determines interferes with the health, safety, or right to peaceful enjoyment of the premises by the other residents; or other good cause.

Immediately and permanently terminate the tenancy in any public housing dwelling unit by any person who has been convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law.

HRA may terminate the tenancy for any person who the HRA determines is illegally using a controlled substance.

An HRA may terminate the tenancy for any person if the HRA determines that the person's by abuse of alcohol interferes with the health, safety, or right to peaceful enjoyment of the premises other residents.

If the HRA proposes to terminate the Lease, written notice of the proposed termination will be given as follows:

- A. At least fourteen (14) days prior to termination in the case of failure to pay rent;
- B. A reasonable time based on the urgency of the situation in the case of; a creation or maintenance of a threat to health or safety of other Tenants or Landlord's employees,
- C. At least thirty (30) days prior to termination in all other cases.

3. Notice of termination to tenant shall state reasons for the termination, shall inform the tenant of his/her right to make such reply as he may wish and of his right to request a hearing as defined in Part 13, of this Policy.

4. Before the Authority shall schedule a grievance hearing for any grievance concerning the amount of rent the Authority claims is due, the Tenant must first bring his or her rent account current by paying to the Authority an amount equal to the amount of rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. After the hearing is scheduled, the Tenant shall continue to deposit this same monthly rent amount into the Authority's escrow account until the complaint is resolved by the decision of the hearing officer or panel.

If the grievance hearing officer or panel upholds the Authority's action to terminate the tenancy, the Authority's notice to vacate shall not be issued to the Tenant before the decision of the grievance hearing officer or panel is either mailed or delivered to the Tenant. Until the Authority's Notice to Vacate has been served to the Tenant, the Authority will not commence eviction action in court.

GRIEVANCE PROCEDURES

1. **Definitions:**

- A. A "**Grievance**" is any dispute which a tenant may have with respect to Housing Authority action or failure to act in accordance with the individual tenant's lease or Housing Authority regulations which adversely affect the individual tenant's rights, duties, welfare or status.
- B. A "**Complainant**" is any tenant whose grievance is presented to the Housing Authority or at the project management office informally or as part of the informal hearing process.
- C. A "**Tenant**" is the adult person(s) (other than live-in aide) who resides in the unit, and who executed the Lease with the Housing Authority as lessee of the dwelling unit, or, if no such person now resides in the unit, one who resides in the unit, and who is the remaining head-of-household of the tenant family residing in the dwelling unit.
- D. A "**Hearing Officer or Panel**" shall mean an impartial, disinterested person or persons selected to hear grievances and render a decision.
- E. The "**Elements of Due Process**" shall mean an eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:
 - 1. Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction;
 - 2. Right of the tenant to be represented by counsel;
 - 3. Opportunity for the tenant to refute the evidence presented by the Housing Authority including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have;
 - 4. A decision on the merits.
- F. A "**Resident Organization**" includes a Resident Management Council.

2. **Grievance Procedure:**

A. **Informal Grievance Procedures:**

1. Any grievance shall be personally presented orally or in writing to the Housing Authority office or to the Complainant's project office. (If the grievance is written, it must be signed and dated by the Complainant.) The grievance must be presented within a reasonable time, not in excess of the first working day after the fifth (5th) day of the action or failure to act which is the basis of the grievance. It may be simply stated, but shall specify; (a) the particular ground(s) upon which it is based; (b) the action requested; and (c) the name, address and telephone number of Complainant and similar information about his/her representative, if any.
2. The purpose of this initial contact is to discuss and hopefully resolve grievances without the necessity of a formal hearing.
3. Within five (5) working days, a summary of this discussion will be given to the Complainant by a Housing Authority representative, one copy to be filed in the Housing Authority's tenant file.
4. The summary will include; names of participants, date of the meeting, nature of the proposed disposition, and specific reasons therefore; and shall specify steps by which a formal hearing can be obtained if the complainant is not satisfied.
5. After exhausting procedures outlined above, if the Complainant is dissatisfied with the proposed disposition of the grievance, he/she is entitled to a hearing before a Hearing Officer or Panel. He/she shall submit a written request for a hearing within ten (10) working days of delivery of the above-mentioned summary of the informal proceedings.
6. If the Complainant does not request a hearing within ten (10) working days, he/she waives his/her right to a hearing, and the Housing Authority's proposed disposition of the grievance will become final. Failure to request a hearing shall in no way constitute a waiver of the Complainant's right to contest the Housing Authority's disposition of his/her grievance in an appropriate judicial hearing.

3. **Procedures to Obtain a Hearing:**

A. **Informal Prerequisite:**

1. All grievances shall be personally presented either orally or in writing pursuant to the informal procedure as defined in Section 2(A)(1) above, as a prerequisite to a formal hearing. If the Complainant shall show good cause why he/she failed to proceed as defined in Section 2(A)(1) above, to the Hearing Officer or Panel, the provisions of this subsection may be waived by the Hearing Officer or Panel.
2. If the Complainant does not request a hearing within the time period allowed in Section 2(A)(5) above, he/she waives his/her right to the hearing, and proposed disposition of the grievance will become final. This shall not; however, constitute a waiver of the Complainant's right thereafter to contest disposition of his/her grievance in an appropriate judicial proceeding.

B. **Escrow Deposit:**

1. Before a hearing is scheduled in any grievance involving an amount of rent the Housing Authority claims is due, the Complainant shall pay to the Housing Authority all rent due and payable as of the month preceding the month in which the act or failure to act took place.
2. The Complainant shall thereafter deposit the same amount of the monthly rent in an escrow account monthly until the complaint is resolved by decision of the Hearing Official or Panel.
3. The requirements as defined in Section 3(B)(1) and (2) above, may be waived by the Housing Authority in extraordinary circumstances.
4. Unless so waived, failure to make the aforementioned payments shall result in termination of the grievance procedure.
5. Failure to make such payments shall not constitute a waiver of any right the Complainant may have to contest the Housing Authority's disposition of his/her grievance in any appropriate judicial proceeding.

4. **Selection of a Hearing Officer or Panel:**

- A. The Hearing Officer shall be an impartial, disinterested person(s) appointed by the Housing Authority, other than a person who made or approved the Housing Authority action under review or a subordinate of such person.
- B. The Housing Authority may provide for the appointment of a Hearing Officer or Panel by any method which is approved by a majority of tenants voting in an election or meeting of tenants held for that purpose. Any comments or recommendations submitted by Tenant Organizations shall be considered by the Housing Authority before the appointment.

5. **Scheduling:**

- A. Upon Complainant's compliance with Section 3(A) and (B) above, a hearing shall be scheduled by the Hearing Officer or Panel promptly for a time and place reasonably convenient to both the Complainant and the Housing Authority.
- B. A written notification specifying the time, place, and the procedures governing the hearing shall be delivered to the Complainant and the appropriate Housing Authority official.

6. **Expedited Grievance Procedure:**

In the case of a grievance conducted under the expedited grievance procedure, the informal hearing is by passed.

7. **Procedures Governing the Hearing:**

- A. The hearing shall be held before a Hearing Officer or Panel as appropriate.
- B. The Complainant shall be afforded a fair hearing providing the basic safeguard of due process which shall include:
 - 1. The opportunity to examine before the grievance hearing and at the expense of the Complainant, to copy all documents, records and regulations of the Housing Authority that are directly relevant to the hearing. If the Housing Authority does not make the document available for examination upon request by the Complainant, the Housing Authority will not rely on such document at the grievance hearing;
 - 2. The right to a private hearing unless the Complainant requests a public hearing;
 - 3. The right to be represented by counsel or other person chosen as his/her representative, and to have such person make statements on the tenant's behalf;
 - 4. The right to present evidence and arguments in support of his/her complaint, to controvert evidence relied on by the Housing Authority or project management, and to confront and cross-examine all witnesses on whose testimony or information the Housing authority or project management relies; and
 - 5. A decision based solely and exclusively upon the facts presented at the hearing.
- C. If the Hearing Officer or Panel determines that the issue has been previously decided in another proceeding they may render a decision without proceeding with the hearing.
- D. If the Complainant or Housing Authority fail to appear at the scheduled hearing, the Hearing Officer or Panel may make a determination to postpone the hearing for not to exceed five (5) working days, **or** make a determination that the party has waived his/her right to a hearing. Both parties will be notified of the determination provided that such a determination in no way waives the Complainant's right to appropriate judicial proceedings.
- E. At the hearing, the Complainant must first make a showing of an entitlement of the relief sought and thereafter the Housing Authority must sustain the burden of justifying the Authority actions or failure to act against which the complaint is directed.
- F. The hearing shall be conducted by the Hearing Officer or Panel in such a way to be:
 - 1. **Informal** - Oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings;

2. **Orderly** - The Hearing Officer or Panel shall require that the Housing Authority, Complainant, counsel and other participants and spectators conduct themselves in an orderly fashion. Failure to comply with the directions of the Hearing Officer or Panel to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.
- G. The Complainant or Housing Authority may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.
- H. The Housing Authority will provide reasonable accommodations for person with disabilities to participate in the hearing.
 1. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.
 2. If the tenant is visually impaired, any notice which is required under this procedure will be in an accessible format.
8. **Decision of the Hearing Officer or Panel:**
 - A. Within ten (10) working days following the hearing, the Hearing Officer or Panel shall give the Complainant and Housing Authority a written decision including reasons therefore. The Housing Authority will file one copy in the tenant file and maintain another copy with names and identifying references deleted for a prospective Complainant, his/her representative, or Hearing Officer or Panel.
 - B. The decision of the Hearing Officer or Panel shall be binding on the Housing Authority which shall take all actions necessary to comply with the decision unless the Housing Authority Board of Commissioners determine, within a reasonable time, and or notifies the Complainant that:
 1. The grievance does not concern Housing Authority action or failure to act in accordance with or involving the Complainant's Lease on Housing Authority regulations which adversely affect the Complainant's rights, duties, welfare or status.
 2. The decision of the Hearing Officer or Panel is contrary to applicable Federal, State or local law, HUD regulations or requirements of the Annual Contributions Contract between HUD and the Housing Authority.
 - C. A decision by the Hearing Officer or Panel or Housing Commissioners in favor of the Housing Authority or which denies the relief requested by the Complainant in whole or part shall not constitute a waiver of, nor affect in any manner whatever, the rights the Complainant may have to a new trial or judicial review in any proceedings, which may thereafter be brought in the matter.

9. **Housing Authority Eviction Actions:**

- A. If a tenant has requested a hearing in accordance with these duly adopted Grievance Procedures on a complaint involving Housing Authority notice of termination of tenancy, and the hearing official (panel) upholds the Housing Authority action, the Housing Authority shall not commence an eviction action until it has served a notice to vacate on the tenant.
- B. In no event shall the notice to vacate be issued prior to the decision of the hearing official (panel) having been mailed or delivered to the complainant.
- C. Such notice to vacate must be in writing and specify that if the tenant fails to quit the premises within the applicable statutory period, or on the termination date stated in the notice of termination, whichever is later, appropriate action will be brought against him and he may be required to pay court costs and attorney fees.
- D. The HRA may bypass the grievance procedures in cases involving termination of tenancy for any activity, not just a criminal activity, that threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants or employees of the HRA or any drug-related criminal activity on or off such premises, not just on or near such premises.

APPENDIX A

INCOME LIMITS FOR OCCUPANCY

January 31, 2003

Family Size	<u>Extremely Low Income</u> Wabasha County 30% of Median Income	<u>Low Income</u> Wabasha County Pre 10/01/81 (A building)	<u>Very Low Income</u> Wabasha County Post 10/01/81	<u>Extremely Low Income</u> Goodhue County 30% of Median	<u>Extremely Low Income</u> Dodge County 30% of Median
1	\$11,550	\$30,750	\$19,200	\$13,150	\$13,000
2	\$13,200	\$35,150	\$21,950	\$15,050	\$14,850
3	\$14,800		\$24,700	\$16,950	\$16,700
4	\$16,450		\$27,450	\$18,800	\$18,550
5	\$17,800		\$29,650	\$20,300	\$20,000
6	\$19,100		\$31,850	\$21,800	\$21,500
7	\$20,400		\$34,050	\$23,300	\$23,000
8+	\$21,750		\$36,250	\$24,850	\$24,450

Effective December 10, 1998

Of the public housing dwelling units made available for occupancy in any fiscal year by eligible families, not less than 40 percent (40%) shall be occupied by families whose incomes, at the time of commencement of occupancy, do not exceed 30 percent (30%) of the area median income per family size.

APPENDIX B

SECURITY DEPOSIT

The Security Deposit for tenants of family housing is \$ 250.00.

The Security Deposit for tenants of elderly housing is \$ 150.00.

The Security Deposit for pets in the elderly and family housing is \$ 300.00.

Pets will not be permitted in the family buildings.

APPENDIX C

**UTILITY ALLOWANCES
IF APPLICABLE
Effective April 1, 2002**

Unit Size	Utility Schedule
One Bedroom	\$23.00
Two Bedrooms	\$107.00
Three Bedroom Duplex	\$121.00
Three Bedroom Townhouse - Wabasha	\$131.00
Three Bedroom House	\$166.00
Four Bedroom House	\$145.00

The utility allowance schedule is based on utility consumption of major appliances such as heating furnace, hot water heater, range and refrigerator. The electricity allowance also includes consumption for minor electric appliance such as toasters and can openers.

Tenants may supply and use other major appliances with Authority approval (e.g. air conditioners, freezers), but the utility cost of these appliances is paid by the tenant.

EXCESS UTILITY CHARGES

Tenants utilizing the following appliances and/or services are required to pay the following amounts:

ITEM	AMOUNT PAID IN ADDITION TO RENT BY TENANT
AIR CONDITIONER	\$17.00 per month (June, July & August)
EXTRA REFRIGERATOR	\$ 4.00 per month
FREEZER	\$ 4.00 per month
HEAD BOLT HEATER	\$ 6.00 per month (December – March)

APPENDIX D

FAIR HOUSING AND EQUAL OPPORTUNITY REQUIREMENTS

STATEMENTS OF NON-DISCRIMINATION

It is the policy of HRA to comply fully with Title VI of the Civil Rights Act of 1964, the Federal Fair Housing Act, Executive Order 11063, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title II of the Americans with Disabilities Act, the Minnesota Human Rights Act, and any legislation protecting the individual rights of residents, applicants or staff which may subsequently be enacted.

Under Federal Law it is illegal to discriminate against any person or group of persons because of race, color, religion, sex, handicap, familial status or national origin.

The Minnesota Human Rights Act prohibits discrimination because of race, color, creed, religion, national origin, sex, age, disability, marital status, status with regard to public assistance, sexual orientation, or familial status. In addition, the HRA will must comply with local fair housing and civil rights laws.

HRA shall not:

- _ Deny any family the opportunity to apply for housing nor deny to any eligible applicant the opportunity to lease housing suitable to its needs;
- _ Provide housing which is different than that provided others;
- _ Subject a person to segregation or unequal or different treatment;
- _ Restrict a person's access to any benefit enjoyed by others in connection with the housing program;
- _ Treat a person differently in determining eligibility or other requirements for admissions;
- _ Deny a person access to the same level of services; or
- _ Deny a person the opportunity to participate in a planning or advisory group which is an integral part of the housing program.

HRA shall not automatically deny admission to a particular group or category of otherwise eligible applicants; (i.e. single head of household with children, elderly pet owners, or families whose head or spouse is a student). Each applicant in a particular group or category will be treated on an individual basis in the normal processing routine.

HRA will seek to identify and eliminate situations or procedures which create a barrier to equal housing opportunity for all. In accordance with Section 504, management staff will make physical or procedural changes to permit individuals with disabilities to have full advantage of the housing program. Such accommodations may include changes in the method of administering policies, procedures or services.

In addition, HRA may perform structural modifications to housing and non-housing facilities where such modifications would be necessary to afford full access to the housing program for qualified individuals with handicaps.

In reaching a reasonable accommodation with, or performing structural modifications for, otherwise qualified individuals with handicaps, HRA is not required to:

- Make structural alterations that require the removal or altering of a load-bearing structural member,
- Provide an elevator in any multi-family housing development solely for the purpose of locating accessible units above or below grade level;
- Provide support services that are not already part of its housing programs;
- Take any action that would result in a fundamental alteration in the nature of the program or service;
- Take any action that would result in an undue financial and administrative burden on HRA.

APPENDIX E

PRIVACY POLICY

It is the policy of HRA to protect the privacy of individuals covered by the Federal Privacy Act of 1974, and to ensure the protection of such individuals verification records maintained by the property.

This information may be released to appropriate federal, state and local agencies, when relevant, and to civil, criminal or regulatory investigators or prosecutors. However, the information will not be otherwise disclosed or released unless the individual gives written authorization to do so.

The privacy policy in no way limits HRA's ability to collect such information as it may need to determine eligibility, compute rent, or determine an applicant's suitability for tenancy.

Consistent with the intent of Section 504 of the Rehabilitation Act of 1973, any information obtained on handicap or disability will be treated in a confidential manner.

APPENDIX F

PET POLICIES

PET: Pets are allowed in the elderly buildings as long as the rules regarding pets are followed completely. Pet owners will be required to pay an additional \$100.00 pet deposit which will be refunded at the termination of occupancy should there be no damage caused by the animal.

- ☞ ALL PETS MUST BE REGISTERED WITH THE MANAGEMENT.
- ☞ A pet will generally be defined as a common household pet, i.e. cats and dogs. One animal of a small size (under 20 pounds when full grown).
- ☞ Pet owners must provide evidence that the pet has received all necessary vaccinations.
- ☞ All pets must be spayed or neutered.
- ☞ All animals will be confined to the owner's apartment and may not roam the halls or common areas freely.
- ☞ When animals are taken out of the building, they must be leashed and held in the owners arms until they are outside.
- ☞ Owners must be with their leashed animals at all times when outside the building. Animals may not be let out on their own to run or prowl.
- ☞ In case of complaints that an animal is causing a disturbance or nuisance, management may require the owner to remove the pet. Failure to do so could be grounds for eviction.
- ☞ All owners of pets must provide the management with a verifiable statement of the name, address and telephone number of a person who will care for the animal temporarily in case of emergency where the resident is unable to make arrangements for the pet.
- ☞ It is the pet owner's responsibility to dispose of all waste material from the animal, inside and outside of the building. Waste material must be disposed of in a tied, plastic bag. The bags may not be thrown down the garbage chutes.
- ☞ Lease item 12. a & c require that the resident maintain the unit in a clean & safe condition and not to destroy, deface or damage any part of the dwelling unit. If the management determines that the pet is causing damage to the property (urinating on carpet, digging at the flooring, walls, or wood work, etc.) or the resident is not maintaining the unit in a clean and sanitary manner; the management will require that the resident remove the pet from the unit. If the resident refuses to find another home for the pet as requested, the management will terminate the lease as per Lease item 16. f & i.

The resident must provide proof that the pet has a license, in accordance with any state or local laws. Registration of the pet must be kept current. Information regarding the registration is to be provided to the management on an annual basis.

If the pet owner is in violation of any of the stated regulations he/she will receive a written warning from management concerning the infraction. A second warning will also be issued if needed. A third violation will result in owner relinquishing the right to the possession of their pet on the property.

I (we) hereby acknowledged receipt of the Pet Regulations and understand that I (we) must abide by these guidelines, as required by our lease agreement and the handbook.

RE: Complex _____ Unit #

Acknowledge and Agreed:

Date

APPENDIX G

POLICY ON MOVE-OUT INSPECTIONS AND CLEANING

Tenant may request move-out inspection after giving 30 day notice. The Manager will remind the tenant of their move-out responsibilities. The Manager will walk through the unit with the tenant noting damage and items that will need extra cleaning. If the tenant has not given a forwarding address to management it can be done at this time. The tenant now has the time to repair damage and complete required cleaning.

The HRA will complete a move-out inspection upon the relocation of a tenant.

The tenant is responsible to leave the entire unit in move-in condition. If the Custodian has to put in more than one hour of time for each bedroom in the unit (1 bedroom for 1 hour, 2 bedrooms for 2 hours, etc) the tenant will be charged the Custodians current wage for any time over and above. The tenant will also be charged for any damages and the current wage of the Maintenance person doing the repair.

If the unit has been painted within the past three (3) years the HRA does not intend to repaint. If the HRA has to paint due to the tenants neglect, the tenant will be charged for time and material.

APPENDIX H

REPAYMENT AGREEMENT POLICY

It is the policy of the Southeastern Minnesota Multi-County Housing and Redevelopment Authority that we will not provide Rental Assistance nor Public Housing to a family who has an indebtedness to this Housing Authority until either the balance is paid in full or a Repayment Agreement has been executed.

A minimum down-payment of 20% of the balance is required at the time the Agreement is executed. Monthly payment amount will be established after a review of all relevant family income information. The applicant and/or tenant will remain in good standing with the Housing Authority as long as all payments are received in a prompt timely manor. Failure to abide by this Repayment Agreement will result in one or more of the following actions:

- A. Section 8 applicants and/or Public Housing applicants will have their applications withdrawn until payment in full has been received.
- B. Section 8 tenants will have their rental assistance terminated, providing proper notice to the landlord.
- C. Public Housing and Section 8 tenants will have their accounts referred to: the Minnesota Revenue Recapture agency, a credit bureau and other appropriate clearinghouses that maintain debt information.

It should be noted that this Agreement will be in default when TWO (2) payments are delinquent. When the Repayment Agreement is in default, **NO FUTURE REPAYMENT AGREEMENT WILL BE MADE WITH THE SAME FAMILY ALL MONIES DUE IN FULL.**

Schedule of Routine Tenant Charges

In addition to payments for rent and excess utilities, tenants will be required to reimburse the Housing Authority for:

- ❖ The cost incurred in the repair or replacement of Housing Authority property which has been damaged or lost through tenant's abuse or negligence.
- ❖ The performance of services, which are the stated obligation of the tenants under the dwelling lease (example; lawn care or snow removal – if applicable).

The following is a partial list of standard charges, which will be made by the Housing Authority, for the repair or replacement of property or the provision of services;

Expense	Charge
Key (extra)	\$2.00
Re-Key Lock	\$50.00
Shower Rod	\$20.00
Shower Head	\$20.00
Toilet Seat	\$20.00
Towel Bar	\$15.00
Toilet Paper Holder	\$15.00
Burner Pan	\$5.00
Broiler Pan	\$10.00
Smoke Detector	\$25.00
Screens	\$20.00
Screen with rebuilt frame	\$25.00
Complete lock replacement	Parts and labor
Cleaning	Staff wage & benefits (minimum 1 hour)
Maintenance repair	Parts, staff wage & benefits (minimum 1 hour)
Contracted repairs	Actual cost billed by contractor
Interior cover for air conditioner	Parts, staff wage & benefits (minimum 1 hour)
Glass replacement	Parts, staff wage & benefits (minimum 1 hour)

Charges to the tenant for items not listed above will be billed based on the actual cost incurred by the Housing Authority in the purchase and delivery of materials or equipment.

Work performed by the Housing Authority staff will be charged at the rate of one hundred percent (100%) of the hourly wage rate with benefits paid to the employee performing the work.

If the tenant is responsible to care for the lawn and/or snow removal, as stated in the lease, and neglects these responsibilities the tenant will be charged at the rate of one hundred percent (100%) of the hourly wage rate with benefits paid to the employee performing the work plus mileage at 36 cents per mile.

Lock Out Fee (after working hours) – if the staff are requested to come to the residence to unlock a door the tenant will be charged at the rate of one hundred fifty percent (150%) of the hourly wage rate with benefits paid to the employee performing the work in addition to the mileage to and from the unit, at 36 cents per mile. If the lock out occurs during working hours the charge will be assessed at 100% of the wage rate (minimum 1 hour).

Move Out Cleaning Tenants will not be charged for normal wear & tear cleaning which would include cleaning carpets, disinfecting kitchens and bathrooms and preparing the unit for the next tenant. Normal wear & tear cleaning will be described as one hour per bedroom in the unit. Any time over and above one hour per bedroom will be charged to the tenant at the rate of one hundred percent (100%) of the hourly wage rate with benefits paid to the employee performing the work.

**US DEPARTMENT OF HOUSING & URBAN DEVELOPMENT
SECTION 8 EXISTING HOUSING ALLOWANCE FOR
TENANT-FURNISHED UTILITIES AND OTHER SERVICES**

April 1, 2003

LOCALITY: Winona, Houston, Fillmore, Dodge, Goodhue, Wabasha Counties

Monthly Dollar Allowances

UTILITY OR SERVICE	0-BR		1-BR		2-BR		3-BR		4-BR		5-BR	
	S	A	D	T	S	A	D	T	S	A	D	T

HEATING

Natural Gas	32	16	28	32	46	26	43	56	46	30	41	56	51	37	48	82	53	37	60	85	86	42	73	103
Propane	60	83	121	37	17	25	37	58	29	40	58	65	31	48	65	110	42	61	92	120	53	66	100	
Oil	26	16	20	26	42	26	35	42	52	29	37	52	65	43	53	65	78	50	64	78	89	55	71	89
Electric	45	23	30	45	56	30	32	56	69	36	46	69	95	50	62	95	97	59	75	97	128	66	83	128

COOKING

Natural Gas	42	2	4	4	5	2	4	6	6	4	6	6	6	4	6	5	7	4	7	8	7	5	8	
Propane	44	4	4	6	5	5	5	6	5	5	5	7	6	6	6	8	7	7	7	9	8	8	8	
Electric	3	3	3	3	7	7	7	7	8	10	8	8	11	11	11	11	17	13	12	13	15	13	15	15

ELECTRIC LIGHTING

18	10	15	18	31	18	18	28	40	25	26	36	42	31	31	38	68	36	38	47	53	32	44	48
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WATER HEATING

Natural Gas	8	6	7	8	12	7	10	12	14	11	12	14	14	12	14	19	16	17	18	22	24	18	20	24
Propane	8	7	7	8	13	11	11	13	14	12	12	14	19	16	16	19	23	19	19	23	28	23	23	28
Electric	10	9	8	10	14	14	12	14	19	18	15	19	22	19	19	22	24	24	24	24	34	30	29	34

WATER

16	14	16	16	16	10	16	16	16	14	16	16	18	16	18	18	22	16	20	22	22	18	22	22
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SEWER

13	13	22	22	24	24
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TRASH

17	17	17	17	17	17
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STOVE

4	4	4	4	4	4
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REFRIGERATOR

4	4	4	4	4	4
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TOTAL _____

NAME OF FAMILY _____ NUMBER OF BEDROOMS _____

ADDRESS OF UNIT _____

S - Single Family Dwelling D - Duplex A - Apartment T - Trailer

**30% Income Limits for Voucher Program
Effective 03/01/2003**

Family Size	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
1	13,150	11,750	11,550	11,550	13,000	10,850
2	15,050	13,400	13,200	13,200	14,850	12,400
3	16,950	15,100	14,800	14,800	16,700	13,950
4	18,800	16,750	16,450	16,450	18,550	15,500
5	20,300	18,100	17,800	17,800	20,000	16,750
6	21,800	19,450	19,100	19,100	21,500	18,000
7	23,300	20,800	20,400	20,400	23,000	19,250
8	24,850	22,150	21,750	21,750	24,450	20,450

**50% Income Limits for Voucher Program
Effective 03/01/03**

Family Size	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
1	21,950	19,550	19,200	19,200	21,650	18,100
2	25,100	22,350	21,950	21,950	24,700	20,700
3	28,200	25,150	24,700	24,700	27,800	23,250
4	31,350	27,950	27,450	27,450	30,900	25,850
5	33,850	30,200	29,650	29,650	33,350	27,900
6	36,350	32,400	31,850	31,850	35,850	30,000
7	38,850	34,650	34,050	34,050	38,300	32,050
8	41,400	36,900	36,250	36,250	40,800	34,100

**80% Income Limits for Voucher Program
Effective 03/01/03**

Family Size	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
1	35,100	31,300	30,750	30,750	34,600	28,950
2	40,150	35,800	35,150	35,150	39,550	33,100
3	45,150	40,250	39,550	39,550	44,500	37,200
4	50,150	44,700	43,900	43,900	49,450	41,350
5	54,150	48,300	47,450	47,450	53,400	44,650
6	58,200	51,900	50,950	50,950	57,350	48,000
7	62,200	55,450	54,450	54,450	61,300	51,300
8	66,200	59,050	57,950	57,950	65,250	54,600

**Payment Standards for the Voucher Program
Effective 12-1-02**

Voucher Size	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
0	327	330	306	304	283	283
1	421	431	410	411	381	346
2	560	545	519	523	482	460
3	716	681	592	699	603	603
4	864	801	677	807	627	690

Voucher: If the rent and utility allowances combined go over the payment standard you will be responsible to pay the difference.

Inspection Procedures

Responsibilities of Inspectors Conducting HQS Unit Inspections

New Contract Inspections

The inspection must be conducted before the effective lease date and execution of the HAP contract to ensure that the unit is in compliance with the Housing Quality Standards. Lease start dates are generally the first day of the month, although other lease start dates may be negotiated by Section 8 Coordinator.

RENT ASSISTANCE (HAP) PAYMENTS CANNOT BE MADE PRIOR TO UNIT PASSING!

Rent reasonableness assessment of conditions form must be filled out at the time of inspection.

Responsibilities of Inspector:

Schedule an inspection with the client or owner within ten (10) working days after receiving the Request for Lease, with inspection to be completed within 15 days.

Inspection forms provided by HRA must be used for each inspection and completed at the time of the inspection.

Complete rent reasonableness forms at the time of each inspection, give completed copy to Section 8 Coordinator.

FOLLOW UP

Unit Passes:

If the unit meets the HQS criteria and therefore passes, the inspection report should be forwarded to the Section 8 Coordinator immediately so that the HAP Contract can be prepared, the lease approved and the check mailed to the owner.

Unit Fails:

If the unit does not meet **all** the HQS criteria, the unit would fail. The inspector must immediately notify the owner in **writing** of the deficiencies, with a copy to the participant and the Section 8 Coordinator. The notice must describe the deficiencies that are HQS violations and require that the condition be corrected before assistance begins.

All items that, were required to be corrected to meet the HQS criteria must be completed prior to the final execution of the HAP contract. The inspector must re-inspect the unit to determine if the work has been performed and the deficiencies

corrected satisfactorily. After the inspection is conducted and the deficiencies are satisfactorily corrected, the report must be forwarded to the Section 8 Coordinator.

NO BACK DATING INSPECTION REPORTS

The date the inspector is notified of completed repairs is the date that is to appear on the inspection report, if unit passes upon re-inspection. For example, December 1st lease, inspector receives call on December 5th, unit is re inspected December 7th and passes. Enter December 5th as pass date.

Re-inspection of fails will only focus on failed items that were to be repaired.

If upon re-inspection additional item(s) are found, owner is to be given 30 days to make additional corrections (24 hours if immediate health/safety issue).

Inconclusive

Unit must receive a final rating of either Pass or Fail before considering inspection complete and must pass before lease approval can occur. Any item marked inconclusive at the time of the inspection must be clarified and marked pass or fail.

Annual Re-exam Inspections

Inspections of each dwelling unit are required at least annually. Annual inspections will start in February and be scheduled according to the community the family lives in. It may be necessary to complete an annual inspection in less than 12 months from the move-in inspection to get the unit on the same community cycle and not exceed the 12 month limitation.

Special/Complaint Inspections

Special/Complaint Inspections should be conducted only upon request by Section 8 Coordinator or Program Processor III. Important; Before the inspector gets involved, the matter should have been attempted to be resolved between the parties concerned. If there are no results after attempts by either the tenant or owner, then an inspection should take place.

Prompted by perceived noncompliance

Inspections other than initial or annual inspections which require the inspector to determine unit's compliance with HQS criteria. Complaint is from tenants, owners, staff or other sources regarding condition of unit or lack of maintenance.

Responsibilities of the inspector:

Schedule promptly

Inspector determines whether the unit meets Housing Quality Standards.

If deficiencies are serious which present immediate danger to health and safety of the family, the inspector must require the owner to correct the deficiencies within 24 hours.

For other deficiencies which could affect the health and safety of the occupants, the owner will be required to correct the items within 30 days or less.

Time extension -- Exterior improvements

Weather deferrals on exterior work will be given if weather prohibits repair in a timely manner. The Section 8 Coordinator must approve any or all weather deferrals or conditional approvals prior to HAP contract implementation. Conditional approvals should not be granted unless it is an extremely rare situation.

In cases where the Section 8 Coordinator has authorized the use of a weather deferral or conditional approval, the following procedures should be followed;

If outside improvements cannot be accomplished prior to initial occupancy (or re-exam) because of the weather conditions, (for example, concrete repair/replacement or step handrail) the owner must agree to correct the failed item by a specified date when weather conditions would be more favorable. This agreement must be attached to the inspection report and included in the HAP Contract. Use weather deferral form.

If at the time of an initial inspection defective conditions or other hazardous items which would fail the unit are found (for example, broken thermopane window unit) which cannot reasonably be repaired prior to lease date, attach documentation that the repair item has been ordered and have the owner sign an agreement that the condition will be corrected at a specific date, such as in two weeks. Use conditional approval form.

Soon after the specified date, the inspector must re-inspect the unit to ensure that the owner has complied with the agreement. If the owner has not complied, the matter should be referred to the Section 8 Coordinator to initiate the process for abating HAP payments.

These instructions apply only to exterior or interior conditions when it is beyond the owner's control to correct such hazards within allotted time restraints.

Principles of Good Inspections

- ❖ **KNOWLEDGEABILITY** – Be thoroughly familiar with the Housing Quality Standards (HQS).
- ❖ **CONSISTENCY** - Conduct all inspections in an even handed manner from one unit to the next and over time.
- ❖ **ACCURACY** - Be sure to always apply the standard according to the HUD definition of acceptable Housing Quality Standards allowed in the units leased.
- ❖ **FOCUS** - Housing Quality Standards relate to permanent aspects of the dwelling unit not to the furnishings or lifestyle of the tenant.
- ❖ **OBJECTIVITY** - The inspection must be conducted in a manner that is free of personal, class, ethnic or neighborhood biases. Perspectives of housing gained from other work experience must not interfere with the application of the HUD Housing Quality Standards.
- ❖ **COMPLETENESS/THOROUGHNESS** - All inspection forms must be completely filled out in order to ensure that all HUD Housing Quality Standards have been met.
- ❖ **LEGIBILITY** - Documentation of the inspector's findings is clear, understandable language and written in a clear hand is required so that the inspection findings are useable by other than the originator of the form.
- ❖ **CONFIDENTIALITY** - The inspection results can be shared with only SEMMCHRA staff, the tenant and the landlord. Safeguard Client Information - No other information concerning the tenant or nature of your inspection shall be discussed with other residents.
- ❖ **JUDGEMENT** - Exercise of prudent judgment will reduce the exposure of the inspector and SEMMCHRA to charges of inconsistency in inspections or litigation. When in doubt or faced with a possible questionable determination seek the opinion of the Section 8 Coordinator, Manager or supervisor for a ruling **before** final determination is made.

Quality Control Inspections

SEMMCHRA will inspect all units to ensure that they meet Housing Quality Standards (HQS). No unit will be initially placed on the Section 8 Existing Program unless the HQS is met. Units will be inspected at least annually, and at other times as needed, to determine if the unit meet HQS.

Inspections on at least 5% of the total allocation will be done annually. The sample will include all types of units and inspections completed by all inspectors. Quality Control inspections will be completed by the Section 8 Coordinator, or person assigned by the coordinator that did not complete the original inspection. Quality Control inspections will be completed with-in three (3) weeks of the original inspection.

When problems occur with an inspector in conducting inspections, working with clients/owners or follow-up after inspections, the following steps will be taken by SEMMCHRA;

- Meetings will be held with the inspector and Section 8 Coordinator to clarify responsibilities and procedures, which the inspector may not be, following or understand.
- If after a period of time there is no change in the inspector's performance, written documentation of problems will be given to inspector's supervisor. The supervisor should review performance, expectations and consequences should the problems continue.

Lead Based Paint

➤ Visual assessment

- Visual assessment of deteriorated paint (i.e., peeling, chipping, flaking) surfaces at initial and annual inspections;
 - Pre-1978 units that are occupied or will be occupied by families with children under 6 years of age;
 - All unit interior and exterior painted surfaces associated with the assisted unit; and
 - Common areas such as common hallways, access and egress areas, playgrounds, child-care facilities, or other areas including fences and garages frequented by children under age six.
 - Deteriorated paint surfaces are defined as interior or exterior paint or other coating that is peeling, chipping, flaking, cracking, is otherwise damaged or has separated from the substrate of the surface or fixture.
 - The inspection will be conducted by an HQS inspector, all inspectors will be trained in visual assessment in accordance with procedures established by HUD.
 - When the visual inspector identifies deteriorated paint surfaces, the PHA will notify and require the owner to perform stabilization of the surfaces within thirty (30) days of notification on occupied units and before commencement of an assisted tenancy. When weather conditions prevent stabilization of deteriorated paint surfaces on exterior surfaces within 30-day period, stabilization may be delayed for a reasonable time.

➤ Lead Safe Work Practices

- Lead Safe Work Practices will be required if painted surfaces to be disturbed exceed:
 - 20 sq ft on exterior surfaces (4 by 5 feet)
 - 2 sq ft in any one interior room; or
 - 10% of total surface area of an interior or exterior type of component with a small surface area (window sills)
- Lead Safe Work Practices requires person completing work to be trained in paint stabilization. Owners must certify that:
 - Workers were trained
 - Occupants and belongings were protected
 - Worksite was properly prepared
 - Control and contain dust

- Avoid using prohibited methods
- Clean up the worksite
- Clearance by qualified person
- Notice to all residents

➤ **Assuring that clearance examination is conducted when required;**

- The PHA is responsible for clearance activities. Clearance examinations must be performed by persons who have EPA or state-approved training and are licensed or certified to perform clearance examinations.
- HUD has provided funds to PHA's to cover the cost of the first clearance examination. HUD will reimburse the PHA \$150 for clearance tests; one test per unit and \$350 for risk assessments. The owner covers funds for the cost of subsequent tests.
- Failure to comply with paint stabilization requirements, regardless of the amount of deteriorated surface, results in disapproval of the tenancy, abatement of payment to the owner, and/or termination of the HAP contract. The HQS violation for paint stabilization is considered closed when the PHA receives an executed copy of the Lead Based Paint Owner's Certification.
- Carrying out special requirements for children under age six who have environmental intervention blood lead levels as verified by a medical health care provider;
- A medical health care provider, public health department, the family, owner, or outside source may notify the PHA of an environmental intervention blood lead level child living in a program unit.
- When information regarding an environmental intervention blood lead level child under age six is received from the family, owner, or other sources not associated with the medical health community, the PHA must immediately verify the information with a public health department or other medical health care provider.
- If either the public health department or a private medical health agency provides verification that the child has an environmental intervention blood lead level, the PHA must proceed to complete a risk assessment of the unit, common areas and exterior surfaces. This requirement does not apply if the public health department has already conducted an evaluation between the date the child's blood was last sampled and the receipt of notification of the child's condition.
- Within 15 days of notification by a public health department or medical health care provider, the PHA must complete a risk assessment of the dwelling unit, including common areas servicing the dwelling unit, if the child lived in the unit

at the time the child's blood was sampled. Persons trained and certified by an EPA or state-approved agency must complete risk assessments.

- Risk assessments involve on-site investigations to determine the existence, nature, severity and location of lead based paint hazards. The investigation includes dust and soil sampling and visual evaluation, and may include paint inspections (test for lead in paint). The assessor issues a report explaining the results of the investigation, as well as options and requirements for reducing lead-based paint hazards. The owner must notify the building residents of the results of the risk assessment within 15 days of receipt from the PHA.

➤ **Record keeping**

- The PHA must match information received from the health department concerning children under age six who have environmental intervention blood lead levels, with information about program families. If a match occurs, the PHA must follow all procedures for notifying owners and conducting risk assessments as stated above.
- PHAs will develop a tracking report to track known environmental intervention blood lead level children until the child reaches age six. This will assure that all PHA required activities are addressed in a timely manner and that inspections conducted on behalf of the family will include the inspection for deteriorated paint.
- The PHA will keep a copy of the disclosure notice executed by the owner and tenant in the tenant file (not original).
- The PHA is responsible to inform owners of lead-based paint regulations especially those related to prohibited and safe work practices, tenant protection during lead-based paint activities and notification requirements.

➤ **Training**

- Staff will be thoroughly trained about the requirements for lead-based paint so inspection activities are properly done and questions from owners about processes and requirements can be adequately addressed.

**SEMMCHRA RENT REASONABLENESS
ASSESSMENT OF CONDITIONS**

Address: _____ City: _____.

INSPECTORS: Please comment on the following items for the units you inspect.

Condition	Below Average	Average	Above Average	N/A
Hallways and other Common Areas, including interior lighting				
Security System				
General Exterior Appearance, including exterior lighting				
Lawn and Grounds Area				
Parking Area/ Driveway, Garages				
Designated Play Area for small children and/or other on-site recreational facilities				
Rate the response to your maintenance requests, including the quality of repairs/maintenance.				
What overall rating would you give this property when compared to other properties you inspect in this community or to similar properties on this street or in the surrounding neighborhood.				

Amenities (check included items)

Amenity	Yes	No
Stove and/or refrigerator		
Dishwasher		
Washer / Dryer provided by landlord		
Coin operated washer/dryer on site		
Garbage disposal		
Air conditioner (window)		
Central Air conditioning		
Deck/patio		
Large bedroom (s) (bigger than 12x12)		
Garage		

Storage room or closet		
“More” than one bathroom in unit		
Window coverings		
Security System		
Play ground equipment on site		
Community Room		
On site manager		
Lawn care provided		
Snow removal provided		

Utilities paid by landlord

Utility type	Yes	No
Heat		
Lights		
Hot water		
Water/Sewer		
Trash		

Additional comments

Inspectors Signature: _____ Date: _____.

Rent Reasonableness Certification

Family Name: _____

Address: _____ City: _____

Number of Bedrooms			
Contact Rent	\$		
Utility Allowance	\$		
Gross Rent	\$		
Payment Standard	\$		
Rent Range for this county and bedroom size	Low \$	\$	#
	High \$	\$	#

Factor	Possible Points	Points for this unit
Year Built	Before 1975 - 0 point 1976 to 1985 - 2 points 1986 to 1995 - 3 points 1996 and after - 4 points	
Unit type	Apartment - 0 points Town house / duplex - 2 points Signal family - 5 points	
Utilities	Owner pays all - 2 points	
Amenities	0 to 3 - 0 points 4 to 8 - 5 points 9 to 12 - 10 points 13 to 31 - 15 points	
Subtract 5 points if any conditions are listed as below average		
Total points for this unit		

Certification of Rent Reasonableness

- The Rent is Reasonable** - The Gross rent falls in or below the Low Segment of the rent range and the unit scored at least 3 points.
- The Rent is Reasonable** - The Gross Rent falls within the High Segment of the rent range and the unit scored at least 10 points.
- The Rent is Reasonable** - Even though the Gross Rent is higher than justified by the number of points scored or the Gross Rent is over the range, the rent is reasonable because the owner has documented that one or more of the following special circumstances exists:

The property was sold within the past year and the new owner raised rents to cover increased mortgage cost.

The entire complex/building has undergone extensive rehabilitation within the past year.

The property tax was increased substantially due to rehab or because the tax classification changed from homestead to non-homestead.

Other Circumstances: Describe:

- The Rent is Not Reasonable** - Because the unit scored less than 3 points in or below the Low Segment, scored less than 10 points in the High Segment, or the rent is over the range and none of the special circumstances are applicable.
- The Rent is Not Reasonable** - Because the rent requested is higher than rents the owner charges for comparable, unassisted units.

Signature of person certifying Rent Reasonableness

Date

Sample of follow-up Fail letter

May 10, 2004

Sally Landlord
1234 Sample Way
Sample, MN 000000

Re: Mary Tenant
1235 Sample Way
Sample, MN 000000

Dear Sally Landlord,

We notified you that the inspection of your rental property referenced above had failed. You subsequently informed us that all fail items had been fixed. However, upon re-inspection, we found that some items had not been fixed. Those remaining fail items are highlighted on the enclosed inspection form.

The HRA's portion of the tenants rent will not be paid unless all these items are fixed by (date). SEMMCHRA will not be responsible for any further rent payments until the date all items are fixed and the unit passes inspection.

Please call 651-565-2638 to schedule a re-inspection when all fail items are fixed.

Sincerely,

Tammy Moyer
Assisted Housing Coordinator

Cc: tenant

Sample of re-exam fail reminder letter

May 10, 2004

Sally Landlord
1234 Sample Way
Sample, MN 000000

Re: Mary Tenant
1235 Sample Way
Sample, MN 000000

Dear Sally Landlord,

We notified you on February 7, 2000 that the inspection of your rental property list above had failed. We're still waiting to hear from you that all the fail items have been fixed. Payment of HRA's portion of the rent could be held up or not paid if these items are not fixed by April 30, 2000.

If repaired items are not fixed as indicated, SEMMCHRA will not be responsible for further rent payments until the date all items are fixed and until unit passes inspection.

Please call 651-565-2638 to schedule a re-inspection when all fail items are fixed.

Sincerely,

Tammy Moyer
Assisted Housing Coordinator

Cc: tenant

Sample of New/Move Fail Letter

May 10, 2004

Sally Landlord
1234 Sample Way
Sample, MN 000000

Re: 1235 Sample Way
Sample, MN 000000

Dear Sally Landlord,

The inspection for the rental property listed above which you intend to rent to a Section 8 program applicant has failed. The fail items are noted on the enclosed inspection form.

This property cannot be accepted for the Section 8 program unless all fail items are fixed and the unit passes inspection. SEMMCHRA cannot make any rent payments until that time. If the tenant moves in before the unit is accepted, SEMMCHRA will not subsidize the rent until the date the unit passes inspection.

Please call 651-565-2638 to schedule a re-inspection when all fail items are fixed.

Thanks for your interest in participating in the Section 8 program. Please call if you have any questions.

Sincerely,

Tammy Moyer
Assisted Housing Coordinator

Cc: applicant

Weather Deferred Repair Items

During the recently completed inspection located at _____.

Occupied or to be occupied by _____ it was noted that the following conditions existed _____.

As this/these conditions cannot be corrected until weather conditions permit, assistance will begin/continue as scheduled. However, the above named condition(s) must be corrected by _____.

If the condition(s) is/are not corrected by this date, it is understood that assistance will be terminated.

Abatement: I understand if the repairs are not completed, and this unit does not pass the re-inspection by the above re-inspection date, the Housing Assistance Payment (HAP) will be abated on _____ . I further understand:

- ❖ The abatement will continue until the work is completed and the HRA has again re-inspected the property.
- ❖ There will be no retroactive payment made for the period the abatement was in effect.
- ❖ The rental assistance tenant cannot be made to pay the HRA's abated rent portion.

I agree to complete repairs of the above noted Housing Quality Standard deficiencies;

Lead-Based Paint procedures and certification required? Yes / No
Lead Clearance of the rental unit required? Yes / No

The owner or the owner's agent must sign, date, and return this Deferment Agreement to SEMMCHRA, 134 East Second Street, Wabasha, MN 55981 within ten (10) days for a deferment (extension) to be granted. Housing Assistance Payments will not be made until this Deferment Agreement has been returned. **Please call 651-565-2638 immediately upon completion of the aforementioned work.**

Owner / Manager Signature

Date

Sample of conditional Approval Form

Conditional Approval

Resident: _____

Address: _____

City: _____

It is understood and agreed that the rental unit listed above has been conditionally approved by SEMMCHRA effective _____ provided that the following conditions:

_____ are repaired/replaced and complete prior to _____.

It is further understood and agreed that if this is not completed prior to the date indicated above, SEMMCHRA may take action to abate rental assistance payments for the unit. It is agreed by the undersigned party that the owner/manager of the rental unit and above named tenant cited above accepts full and complete responsibility and liability for any and all problems that may arise as a result of the cited conditions.

Please sign, date and return this form by _____. Please call 800-450-4501 or 651-565-2638 immediately upon completion of the repairs.

Owner/Manager

Date

Tenant

Date

Note: Attach this "Conditional Approval" to the original inspection report and complete a follow up inspection as soon as repairs are complete.

Date:

Jane Doe
125 Blank Street
Anytown, MN 55555

Dear Jane:

Annual inspections have been grouped by community to cut down on mileage. Your re-certification and inspection date will be different as a result of this change. **This inspection must be done as scheduled to assure your continued assistance on the program.**

The following appointment has been scheduled for your inspection.

Date: January 1, 2002

Approximate Time: 10:00 AM – 11:00 AM

Please make arrangement to be home or to have someone show the inspector your rental unit. The inspector will not enter your home unless some is present.

IF YOU DO NOT MAKE YOUR SCHEDULED APPOINTMENT YOUR ASSISTANCE WILL BE TERMINATED ON FEBRUARY 1, 2002.

If you have any question, please contact our office at 1-800-450-4501.

Sincerely,

Tammy Moyer
Assisted Housing Coordinator

Date:

Jane Doe
125 Blank Street
Anytown, MN 55555

Dear Jane:

Just a reminder; HUD is coming down to do your inspection at the date below. HUD will only be here for one day and they do need to see your unit.

Please make arrangements to be home or to have someone show HUD your rental unit. HUD will not enter your home unless someone is present. So it is very important that someone is home.

The following appointment has been scheduled for your inspection:

Date:

Time:

If you have any question, please contact our office at 1-800-450-4501.

Sincerely,

Tammy Moyer
Assisted Housing Coordinator

Sample Appointment Letter

April 8, 2002

Rose E. Day
1114 Sunshine Road, Apt #103
Comfort, ST 55555

Dear Ms Day,

Your home will be inspected for the Section 8 Rental Assistance Program by SEMMCHRA's inspector on April 20, 200- between 8:00 and 11:00 am. **WE ARE SORRY WE CAN NOT GIVE YOU AN EXACT TIME FOR THIS INSPECTION.** If you won't be home, please arrange to have someone else let the inspector in. Our inspections can't do the inspection without someone else being home.

This inspection is required by Federal Section 8 Rules. It is important that it is done as scheduled. Remember, rent assistance can only start or continue if your unit passes the inspection.

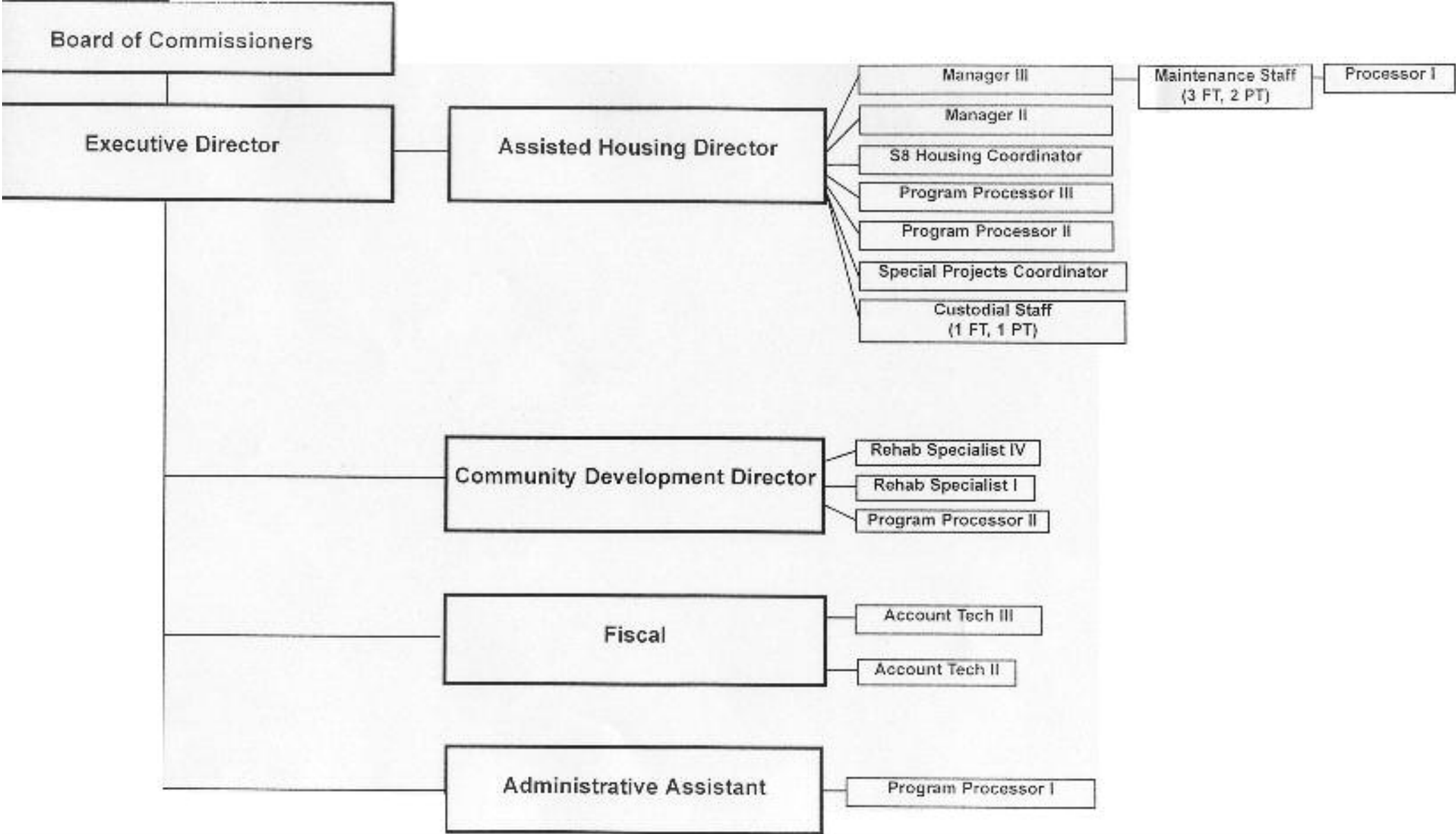
Please check your unit for the most common causes of failed inspections, listed below. Ask the manager or owner to fix any exiting items **before** the inspection.

- ❖ Missing or broken electrical outlet or switch plate covers.
- ❖ Cracked or broken windows.
- ❖ Broken or missing window locks
- ❖ Peeling paint (if you have children under 7 years old)
- ❖ Missing, loose or non-working smoke detectors.
- ❖ Loose carpet or flooring edges
- ❖ Missing or broken stairway railings
- ❖ Loose toilets
- ❖ Exposed electrical wires
- ❖ Loose or deteriorated refrigerator door gaskets
- ❖ Plumbing leaks or running faucets
- ❖ Ovens or stove burners that don't work

Sincerely,

HRA Staff

SEMMCHRA Organizational Chart
January 2003



Policy
Denial of Admission to Voucher Program
Approved May 7, 2003

Applicants that are ready to be issued a voucher will be screened for criminal activity. All applicants will be required to sign a consent form for a rental and criminal background checks. History will be collected for the last 3 years. Admission will be denied for specified drug related criminal activity, or violent criminal activity, or other criminal activity .

- **Admission to the voucher program will be denied for 3 years from the date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity.**
- **Admission will be denied if the HRA determines that any household member is currently engaging in illegal use of a drug.**
- **Admission will be denied if the HRA determines that it has reasonable cause; to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents, or threatens the health and safety of the owner, property management staff, or persons performing an administration function or responsibility on behalf of the HRA (contractor or subcontractor).**
- **Admission will be denied if the HRA determines that any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamines on the premises of federally assisted housing.**
- **Admission will be denied if the HRA determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.**
- **Admission will be denied if the HRA determines that it has reasonable cause to believe that a household member's pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or threatens the health and safety of the owner, property management staff, or persons performing an administration function or responsibility on behalf of the HRA (contractor or subcontractor).**

Termination of assistance for the Voucher program.

- **The HRA will terminate assistance for a family if the HRA has reasonable cause; to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents, or threatens the health and safety of the owner, property management staff, or persons performing an administration function or responsibility on behalf of the HRA (contractor or subcontractor).**
- **The HRA will terminate assistance for a family if the HRA determines, based on evidence, that indeed the member was involved, in drug-related criminal activity for manufacture or production of methamphetamines on the premises of federally assisted housing.**
- **The HRA will terminate assistance for a family if the HRA determines any household member of the household is subject to a lifetime registration requirement under a State sex offender registration program**
- **The HRA will terminate assistance for a family if the HRA determines any household member has reasonable cause to believe that a household member's pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or threatens the health and safety of the owner, property management staff, or persons performing an administration function or responsibility on behalf of the HRA (contractor or subcontractor).**

The costs of record checks will not be passed along to the tenant or applicant. The HRA must notify the family of its intent to deny or terminate assistance. The HRA will provide the family with a copy of the records used to deny or terminate assistance. The HRA will provide the family a chance to dispute criminal records prior to a judicial hearing. Criminal records will be destroyed once records have served their purpose.

Annual Statement/Performance and Evaluation Report

Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary

PHA Name SE MN Multi County Housing and Redevelopment Authority	Grant Type and Number Capital Fund Program MN46P19750203 Capital Fund Program Replacement Housing Factor Grant No:	Federal FY of Grant: 2003
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Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement ()
 Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Costs		Total Actual Costs	
		Original	Revised	Obligated	Expended
1	Total Non-CFP Funds				
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	27,644.00		27,644.00	27,644.00
11	1465.1 Dwelling Equipment -- Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Cost				
18	1498 MOD Used for Development				
19	1502 Contingency				
20	Amount of Annual Grant (Sum of lines 2 - 19)	27,644.00		27,644.00	27,644.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Compliance				
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 III: Implementation Schedule**

PHA Name: SE MN Multi-County Housing & Redevelopment Authority		Grant Type and Number Capital Fund Program #: MN46819750203 Capital Fund Program Replacement Housing Factor #:				Feder 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	
MN46P197006	2/12/2006		3/31/2004	2/12/2006		6/30/2004	

Annual Statement/Performance and Evaluation Report

Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary

PHA Name SE MN Multi County Housing and Redevelopment Authority	Grant Type and Number Capital Fund Program MN46P19750104 Capital Fund Program Replacement Housing Factor Grant No:	Federal FY of Grant: 2004
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Original Annual Statement
 Reserve for Disasters/Emergencies
 Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending:
 Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Costs		Total Actual Costs	
		Original	Revised	Obligated	Expended
1	Total Non-CFP Funds				
2	1406 Operations	19,632.00			
3	1408 Management Improvements				
4	1410 Administration	13,088.00			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	116,880.00			
11	1465.1 Dwelling Equipment -- Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Cost	400.00			
18	1498 MOD Used for Development				
19	1502 Contingency				
20	Amount of Annual Grant (Sum of lines 2 - 19)	150,000.00	-	-	-
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Compliance				
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 III: Implementation Schedule

PHA Name: SE MN Multi-County Housing & Redevelopment Authority		Grant Type and Number Capital Fund Program #: MN46819750104 Capital Fund Program Replacement Housing Factor #:			Feder FY of Grant: 2004		
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	
MN46P197003	6/30/2006			6/30/2008			
MN46P197004	6/30/2006			6/30/2008			
MN46P197006	6/30/2006			6/30/2008			
HA Wide	6/30/2006			6/30/2008			

SOUTHEASTERN MINNESOTA MULTI-COUNTY HOUSING AND REDEVELOPMENT AUTHORITY

COMMUNITY SERVICE AND SELF-SUFFICIENCY POLICY

The Public Housing Reform Act of 1998 mandates that Southeastern Minnesota Multi-County Housing and Redevelop Authority (SEMMCHRA) have a community Service and Self-Sufficiency program.

The community service and self-sufficiency provision is intended to assist adult residents in improving their own and their neighbors' economic and social well-being and give residents a greater stake in their communities. The program offers another option for residents to explore and experience work environments that may not have been possible for them without this provision. Residents with more experience and exposure to the world of work could possibly lead to employment or training, and ultimately enhance the quality of life for these families. Congress believes that the community service and self-sufficiency provision allows residents an opportunity to "give something back" to their community and facilitates upward mobility.

A. Requirements.

1. Every adult (nonexempt) resident of public housing must perform 8 hours of community service each month, or participate in a self-sufficiency program for at least 8 hours every month or a combination of each activity for a total of 8 hours each month.
 - The term *Community Service* is defined in 24 CFR 960.601 as the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities. Also, community service or self-sufficiency activities performed by residents must not be substituted for work ordinarily performed by PHAS employees, or replace a job at any location where residents perform activities to satisfy the service requirement.
 - The term *Economic Self-Sufficiency Program* is defined in 24CFR 5.603 as any program "designed to encourage, assist, train or facilitate the economic independence of HUD- assisted families or to provide work for such families." These programs include job training, employment counseling, work placement, basis skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program

necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities.

B. Exempt Individuals.

1. Those who are 62 years or older;
2. Is a blind or disabled individual, as defined under 216 (1) (1) or 1614 of the Social Security Act (42 U.S.C.416 (i) (1); 1382c), and who certifies that because of this disability she or he is unable to comply with the service provisions or is the primary caretaker of such an individual.
3. Is engaged in work activities.
4. 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 or under any other welfare program of the State of Minnesota including a State-administered welfare-to-work program; or
5. Is a member of a family receiving assistance, benefits or services under a State program funded under part A of title IV of the Social Security Act or under any other welfare program of the State of Minnesota including a State-administered welfare-to-work program.

C. Verification of Exempt Status

1. Residents and applicants who have demonstrated general eligibility criteria as elderly (persons 62 years or older); blind or disabled or primarily caretakers of such individual do not have to provide any additional verification to SEMMCHRA to meet the exempt status.
2. Persons who are exempt because of the following, will be required to provide written documentation from the welfare department to verify their exempt status:
 - Exempt from having to engage in a work activity under the State program funded under part A of title IV of the Social Security Act or under any other welfare program of the State of Minnesota including a State-administered welfare -to-work program;
 - Is a member of a family receiving assistance, benefits or services under a State program funded under part A of title IV of the Social Security Act or under any other welfare program of the State of Minnesota including a State-administered welfare-to-work program.

D. Process

1. The SEMMCHRA will evaluate which residents are required to participate and those that are exempt during the initial and reexamination interview. Resident will be required to report changes in their status after initial determination within 30 days.
2. The SEMMCHRA will give the family, prior to full implementation, a written description of the service requirement; the process for claiming status as an exempt person; process for determining any changes to the

exempt or nonexempt status; and the verification required by SEMMCHRA. The written notification shall identify the family members who are subject to the service requirement, and the family members who are exempt persons.

3. The resident must supply written documentation to verify exemption within 30 days of notification.
4. The SEMMCHRA will provide information to residents on organizations that can assist in placement to meet the community service and self-sufficiency requirement.
5. SEMMCHRA will review a family's compliance with the service requirements and must verify such compliance annually at least 30 days before the end of the 12 month lease term.

E. Resident Responsibilities

1. Provide and cooperate with the SEMMCHRA regarding verification of exempt or nonexempt status for community service and self-sufficiency requirements.
2. Residents are expected to obtain written verification of completion of the activities and the number of hours performed from the participating agency or organization. The SEMMCHRA will provide residents with a form, which the agency can complete and resident can submit to SEMMCHRA, monthly.

F. Non-Compliance

1. If SEMMCHRA determines that there is a family member who is required to fulfill a service requirement, but who has violated this family obligation (non-compliant resident), the SEMMCHRA will notify the resident of this determination. The SEMMCHRA notice to the resident will briefly describe the non-compliance and state that:
 - a. The SEMMCHRA will not renew the lease at the end of the twelve month lease term unless:
 - The resident, and any other non-compliant resident, enter into a written agreement to cure such non-compliance and cure such non-compliance in accordance with the agreement; or
 - b. The resident may request a grievance hearing on the SEMMCHRA determination, in accordance with the grievance procedure.

Component 3, (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©(1)(iv)}	Deconcentration policy (if no explanation) {see step 5 at §903.2©(1)(v)}
MN197-003	15	Scattered site Development	

DECONCENTRATION POLICY

As required by the Quality Housing and Work Responsibility Act of 1998 (QHWRA), the PHA will try to avoid concentrating very low-income families in certain public housing family developments. Southeastern Minnesota Multi-County HRA will encourage income mixing by bringing higher income families into lower income developments and lower income families into higher income developments, if more than one (1) vacancy is available.

The Southeastern Minnesota Multi-County HRA will affirmatively market our housing to all eligible income groups. Lower income residents will not be steered toward lower income developments and higher income people will not be steered toward higher income developments.

Prior to the beginning of each fiscal year, we will analyze the income levels of families residing in each of our developments and the income levels of the families on the waiting list. Based on this analysis, we will determine the level of marketing strategies and deconcentration incentives to implement.

We will consider a project to have a mixed-income character if:

- ❑ At least 20 percent of the households had annual incomes below \$10,000 (a proxy for the poverty level), and either
- ❑ At least 20 percent of the households had annual incomes greater than \$20,000, or
- ❑ At least 70 percent of the households had wages as their primary source of income.

DECONCENTRATION INCENTIVES

The Southeastern Minnesota Multi-County HRA may offer one or more incentives to encourage applicant families whose income classification would help to meet the deconcentration goals of a particular development.

Various incentives may be used at different times, or under different conditions, but will always be provided in a consistent and nondiscriminatory manner.

Required Attachment mn197r01: 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: Linda Brown

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

Elected

Appointed

C. The term of appointment is (include the date term expires): 2 yrs. (02-1905)

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: 02-01-04

C. Name and title of appointing official(s) for governing board (indicate appointing official for the next position):

Goodhue County Board
Wabasha County Board
Winona County Board