

# **PHA Plans**

**Streamlined 5-Year/Annual  
Version**

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

OMB No. 2577-0226  
(exp 05/31/2006)

## **Streamlined 5-Year Plan for Fiscal Years 2005 - 2009**

## **Streamlined Annual Plan for Fiscal Year 2005**

**NOTE: This PHA Plan template (HUD-50075-SA) is to be completed in accordance with instructions contained in previous Notices PIH 99-33 (HA), 99-51 (HA), 2000-22 (HA), 2000-36 (HA), 2000-43 (HA), 2001-4 (HA), 2001-26 (HA), 2003-7 (HA), and any related notices HUD may subsequently issue. Full reporting for each component listed in the streamlined Annual Plan submitted with the 5-year plan is required.**

## Streamlined Five-Year PHA Plan Agency Identification

**PHA Name:** Missoula Housing Authority

**PHA Number:** MT033

**PHA Fiscal Year Beginning:** (mm/yyyy) 10/2005

**PHA Programs Administered:**

**Public Housing and Section 8**     **Section 8 Only**     **Public Housing Only**

Number of public housing units: 168

Number of S8 units: 754

**PHA Consortia: (check box if submitting a joint PHA Plan and complete table)**

Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:				
Participating PHA 2:				
Participating PHA 3:				

### Public Access to Information

Information regarding any activities outlined in this plan can be obtained by contacting:

**Main administrative office of the PHA**  
1235 34th Street  
Missoula, MT 59801

### Display Locations For PHA Plans and Supporting Documents

The PHA Plans and attachments (if any) are available for public inspection at:

**Main administrative office of the PHA**  
1235 34<sup>th</sup> Street  
Missoula, MT 59801

PHA Plan Supporting Documents are available for inspection at:

**Main business office of the PHA**  
1235 34<sup>th</sup> Street  
Missoula, MT 59801

## Streamlined Five-Year PHA Plan PHA FISCAL YEARS 2005 - 2009

[24 CFR Part 903.12]

### A. Mission

- The mission of the PHA is the same as that of the Department of Housing and Urban Development: To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.
- The PHA's mission is: The Mission of the Missoula Housing Authority is to provide decent, safe, affordable housing, and to foster among the residents we serve, self-sufficiency, economic independence, upward mobility, and a sense of participation in the economic and political system. (Adopted 5/30/96, reviewed at 2003 & 2005 board retreats)**

### B. Goals

**HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.**

- PHA Goal: Expand the supply of assisted housing**  
Objectives:
- Apply for additional rental vouchers:**
  - Reduce public housing vacancies:**
  - Leverage private or other public funds to create additional housing opportunities:**
  - Acquire or build units or developments**
  - Other (list below)
- PHA Goal: Improve the quality of assisted housing**  
Objectives:
- Improve public housing management: (PHAS score) to 100%**
  - Improve voucher management: (SEMAP score) to 100%**
  - Increase customer satisfaction:**
  - Concentrate on efforts to improve specific management functions: (list; e.g., public housing finance; voucher unit inspections)**
  - Renovate or modernize public housing units:**
  - Demolish or dispose of obsolete public housing:
  - Provide replacement public housing: 6 units approved 5/2005**
  - Provide replacement vouchers:
  - Other: (list below)
- PHA Goal: Increase assisted housing choices**  
Objectives:

- Provide voucher mobility counseling:
- Conduct outreach efforts to potential voucher landlords**
- Increase voucher payment standards
- Implement voucher homeownership program: increase from 8 to 12 owners**
- Implement public housing or other homeownership programs:
- Implement public housing site-based waiting lists:
- Convert public housing to vouchers:
- Other: (list below)

**HUD Strategic Goal: Improve community quality of life and economic vitality**

**PHA Goal: Provide an improved living environment**

Objectives:

- Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:**
- Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:**
- Implement public housing security improvements:**
- Designate developments or buildings for particular resident groups (elderly, persons with disabilities)
- Other: (list below)

**HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals**

**PHA Goal: Promote self-sufficiency and asset development of assisted households**

Objectives:

- Increase the number and percentage of employed persons in assisted families:**
- Provide or attract supportive services to improve assistance recipients' employability.**
- Provide or attract supportive services to increase independence for the elderly or families with disabilities.**
- Other: (list below)

**HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans**

**PHA Goal: Ensure equal opportunity and affirmatively further fair housing**

Objectives:

- Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:**
- Undertake affirmative measures to provide a suitable living environment for**

- families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:**
- Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:**
- Other: (list below)

**Other PHA Goals and Objectives: (list below)**

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## 5-Year Plan MHA Fiscal Years 2005 - 2009

### A. Mission

The Mission of the Missoula Housing Authority is to provide decent, safe, affordable housing, and to foster among the residents we serve, self-sufficiency, economic independence, upward mobility, and a sense of participation in the economic and political system. (adopted 5/30/96)

### B. Goals

#### **I. MAXIMIZE QUALITY AND REACH OF MHA AFFORDABLE HOUSING PROGRAMS**

##### **A. Operate existing housing programs for residents, program participants, and applicants in an efficient, effective, and equitable manner.**

1. Develop quality control systems to assure that resident satisfaction is high and that MHA is delivering maintenance in a cost-effective manner.
2. Supplement basic staff complement with open purchase contracts for skilled maintenance services to address mismatches in workload and staffing levels.
3. Develop a system of benchmark performance measurements and standards that provides key comparable indicators to the private sector real estate standards. Train existing and new employees to meet benchmarks in general maintenance.
4. Implement the expanded use of private management companies for different components of MHA's portfolio in terms of overall cost effectiveness and complexity of implementation.
5. Structure a portion of MHA's rental housing so that it will serve populations that the private market cannot provide for, including those whose income would qualify them for public housing and special population including but not limited to the elderly, disabled, homeless, veterans, post foster care young adults, and smaller households.
6. Revise the Housing Quality Standards to increase health and safety requirements that will ensure that Section 8 housing is safe while maintaining a high supply of available rental units.
7. Improve the grievance hearing process by training non-staff members such as students from the University of Montana to serve as hearing officers or provide assistance to residents appearing at hearings.
8. Establish a preventive maintenance program to improve unit marketability and decrease the time between vacancy and re-renting units.
9. Establish a protocol to ensure that MHA stays current with program changes and takes advantage of regulatory waivers and other opportunities.

10. Work towards obtaining Moving to Work designation or receiving similar waivers that provide for flexible operations.
11. Obtain funding for a staff person to serve as a coordinator for Elderly/Disabled services.
12. Organize tenants into tenant-based organizations (Tenant Resident Councils) to help set policies, programs, and standards for individual projects
13. Organize the agency departments to reflect optimal Customer Service and Satisfaction, in an effort make agency more efficient.

**B. Implement development-specific strategies that coordinate physical improvements and redesign, market niche, level of affordability, form of ownership and means required to obtain resources to execute strategy.**

1. Develop in-house capacity to create redevelopment pro formas that combine multiple sources of funding, especially pro formas that do not rely on Development Fund as a major source of funding.
2. Provide ongoing technical assistance to the leadership of the Resident Advisory Board (RAB) for a better understanding of management and mixed finance technical issues.
3. Implement the portfolio-wide capital needs assessment completed of MHA's properties to determine the extent of investment necessary to retain those properties and to develop an on going preventative maintenance and capital replacement schedule. Make other improvements to the public housing units to increase livability and make more market competitive.
4. Develop and implement a plan to dispose of additional public housing units based upon the results of the capital needs assessment including some or all units in Projects 009, 011, 012, and 014.
5. Implement the recommendations of the recently completed accessibility and adaptability study through the renovation of housing units and improvements to sites.
6. Complete a portfolio-wide master plan of MHA's units in conjunction with a review of affordable housing needs in MHA's jurisdiction. If possible, coordinate that master plan with City, County, HRC, and University efforts and programs, including modifying the scope of services to address their concerns, and seek financial participation from them.
7. Partner with the City, County, State and other entities to improve MHA developments and the surrounding neighborhoods with additional of improvements such as playgrounds particularly, but not limited to, Projects 011 & 012
8. Pursue partnerships with local supportive service providers to acquire land, purchase existing housing, and develop new housing with or without supportive service programs;
9. Acquire land, purchase existing housing, rehabilitate buildings, demolish structures as needed, and construct new dwelling units to build replacement public housing and mixed-use, mixed-financed, and/or mixed-income developments of a size and scale that is in keeping with the neighborhood and of the highest architectural design.
10. Build affordable housing to be built on Orchard Promenade site also known as the Edgell Property off of Reserve Street.
11. Use Replacement Housing Factor funding for new public housing to be built on Franklin Street site.
12. Complete and implement plans for the substantial modernization of the exterior of the Toole Street project.
13. Build transitional and permanent housing for veterans including but not limited to homeless veterans;
14. Complete the renovations and construction of additional units on the Vantage Villa site.
15. Develop and implement plan to develop rural site known as LaFray Lane in coordination with Emma Dickinson/River Road Neighborhood Infrastructure plan

16. Develop and implement plan of development for site that currently houses The Joseph Residence on Rattlesnake Drive.
17. Further develop plan for affordable housing on mixed-use, mixed-income urban redevelopment site.
18. Develop and implement plans for future development of Single Room Occupancy projects
19. Coordinate with local agencies to provide housing for aging and elderly population.
20. Coordinate with local redevelopment agency on housing needs for urban renewal areas.
21. Develop and implement a plan for a higher a better use of the Speedway Avenue properties.
22. Seek additional sources of funds from local, State, Federal entities as well as private institutions and foundations in order to add improvements to MHA developments including but not limited to tax credit, Continuum of Care, HOME, and other HUD and non-HUD resources such as the Federal Reserve Bank system and Missoula Redevelopment Agency.
23. Work with business and for-profit corporations to provide subsidized housing through such mechanisms as tax credits or special governmental and non-governmental sources.
24. Partner with existing providers of subsidized housing to improve the availability of housing units, maintain high quality management and maintenance, and financial solvency.
25. Create alliances with Missoula's neighborhood councils and foster joint planning and better community relationships.
26. Investigate and implement as appropriate bond funding to make progress on capital improvement plans for portfolio reengineering.
27. Shift MHA-owned property towards multi-family configuration and establish site-based waiting lists where appropriate.
28. Work with the City of Missoula to locate public facilities on or near public housing sites so that Supportive and Community Service agencies can be closer to public housing residents.
29. Work with Missoula Park and Recreation Department to acquire unusable small parcels for future housing development
30. Partner with local CDC's and others to acquire, renovate, and hold property to enable the use of those properties for affordable homeownership opportunities.
31. Develop and implement plans for constructing or purchasing of homes to sell to Section 8 Homeownership voucher holders.
32. Expand MHA's efforts at providing additional homeownership opportunities including, but not limited to, development of new units and relocation of existing buildings onto new parcels particularly, but not limited to, areas near the University slated for demolition.
33. Expand MHA's efforts to become Missoula's tax credit property management specialist, property maintenance, and land development for its and other tax credit properties, and to use those skills to promote affordable housing region wide including areas outside of MHA's current jurisdictional boundaries.
34. Continue to lend funds to non-profit organizations including, but not limited to, Garden City Neighbors, Intermountain Development Corporation, Kilkenny Corporation, Maclay Commons Limited Partnership, and others to purchase and hold property for future development or to fund either on the short or long term predevelopment and development costs and financing.
35. Implement plans to add new housing products into the Missoula market including, but not limited to, condominiums, cooperative housing, mutual housing, assisted living, and land trust properties;
36. Advocate for changes in municipal development policies and regulations, and in State statutes that advance the development of affordable housing;
37. Undertake a public education effort to inform the public of the supply and cost of housing as well as other relevant facts regarding affordable housing and general development needs within the community.

38. Undertake an effort to create partnerships with other organizations such as the Chamber of Commerce, Board of Realtors, Building Industry Association, and others to advance the cause of affordable housing provision, and to create educational information and reports to inform the public on a regular basis of the status of efforts in the City in that direction and of basic data needed to evaluate development proposals;
39. Negotiate with the City of Missoula and others to obtain tax foreclosed or other publicly held properties that can be rehabilitated to add affordable housing in the community.
40. Establish policies and procedures for a Project-based Section 8 Program, issue RFP for future application rounds, and award PBV's to profit and non profit entities that support development and rehabilitation of neighborhoods, promote homeownership, assisted needy population and minority groups, and rehabilitate and build additional affordable housing.
41. Establish loan pools for use by non-profits or to be loaned directly to clients for acquisition and rehabilitation of property, and to fund necessary predevelopment work.
42. Restructure MHA's headquarters building to provide additional office space and a more readily accessible space or create a new location for MHA's offices that will permit additional expansion space and that will locate the facility closer to other governmental entities and supportive services including the use of some of the premises for market rate office space to help defer the cost of construction and operation.
43. Continue to assess MHA's scattered site properties to ensure they are meeting the demands for housing and match with our waiting list and dispose of those properties that do not meet those and future demands;
44. Investigate and implement as appropriate the use of New Markets Tax Credits in mixed use developments
45. Investigate and implement as appropriate the use of ACC subsidies from sold public housing units for new public housing provided by MHA, non-profit entities, and others.
46. Locate a new warehouse that will replace the facility located currently at the Toole site and the rental property on Schilling.
47. Supplement staff capacity through the use of consultants, architects and engineers, and fee accountants and other professionals to reduce staff expenses while obtaining the information necessary to make decisions regarding the management and operations of MHA.
48. Expand MHA's reach to include the area within its jurisdiction but outside the City of Missoula, and explore development and technical assistance in a greater area.
49. Develop and implement plans to merge MHA's responsibilities with other housing authorities or to accept programs from other housing authorities;

**C. Develop Client Service Center to assist PHA and Section 8 applicants and program participants with MHA administrative requirements and processing. The Service Center will also serve as ombudsmen for program participants having bureaucratic difficulties and as a liaison to resident organizations.**

1. Implement applicant and new resident orientation and training programs that are supported by the MHA lease or condition of lease approval.
2. Create customer service procedures for tracking contacts to identify areas for operational improvement.
3. Complete transition to Central File System within Service Center that will contain all applicant and program participant files and information.
4. Implement the use of technology such as scannable forms and electronic records to reduce data inputting needs and paper files.
5. Create and improve MHA website to provide information about MHA programs and the ability to contact MHA staff or submit requests for pre applications through the Internet.
6. Develop comprehensive housing search database covering city and local suburbs that can be accessed via the Internet.
7. Explore use of video, other media to improve communications with customers.



8. Modify the Administrative Plan and Admissions and Continued Occupancy Policies as needed to support these goals and objectives, to match HUD requirements or best practices, or to meet local market needs.

**D. Promote deconcentration of poverty and diversity in all aspects of MHA programs while providing the maximum degree of choice to participants. This will require development of reporting systems that track MHA program demographics by census tract.**

1. Establish development-based waiting lists in MHA family and mixed population developments and those supported through project-based vouchers or other similar funding stream thus making all MHA properties developments of choice. Specifically establish site based waiting lists for the new projects for the Veterans on Mullin Road, elderly housing in Hellgate Meadows, Uptown Motel SRO, the Joseph Residence on Reserve Street, and other projects currently being developed by MHA or its non-profit affiliates.
2. Use MHA demographic information to coordinate with City Planning Office's capacity to create GIS maps and other visual tools to assess the relationship of MHA developments and Section 8 Program utilization to each census tract and neighborhood.
3. Develop quarterly reporting system that trends basic demographics for each development and each MHA waiting list.
4. Coordinate with the annual cycle for development of the Housing Agency Plan any modifications to waiting list selection and inter and intra-program transfer policies to promote program diversity.
5. Provide Section 8 vouchers for relocation linked to development or improvement of property that receives MHA investment, or in support of the development or purchase of affordable housing.
6. Revise MHA's lease and tenant handbook.
7. Apply for such additional Section 8 vouchers or other rent subsidies that can be applied in Missoula or a larger jurisdiction that promotes deconcentration of poverty.

**E. Develop security strategies for each MHA development that assure stable and safe communities.**

1. Develop, in collaboration with each family development and the Missoula Police Department, an expanded security awareness program.
2. Continue the development of rapid intervention tools for problem households including non-trespass orders, mandatory training programs for housecleaning, and court-stipulated agreements.
3. Expand relationships with federal and local inter-agency task forces to directly address locations of drug activities including use of undercover operations.
4. Strengthen lease enforcement for drug related and other criminal activity.
5. Continue to support and expand the current Community Police program.
6. Explore the renting of Public Housing units to police, fire, or other public safety or supportive service governmental personnel who will help to stabilize sites and neighborhoods.

**F. Develop MHA affiliated non-profit organizations, including a Community Housing Development Organization (CHDO), to assist Authority with redevelopment activities.**

1. Incorporate or assume the administration of such non-profit organizations as may advance MHA's mission.
2. Establish a Board of Directors for MHA's non-profits that combines low-income individuals, MHA and City representatives with outside Directors that bring skill sets and networks that can support the major level of redevelopment of MHA's portfolio that must occur over the next decade.

3. Using MHA's Master Plan determine how the non-profits could assist MHA with implementation of neighborhood housing strategies arising out of site-specific public housing redevelopment actions.
4. Consider development of non-profits resource base by transfer of selected assets such as scattered site developments.

**G. Design and implement homeownership programs using Section 8 subsidies to support mortgage payments as well as the conversion of acquired and new construction scattered sites to homeownership opportunities.**

1. Consult with City of Missoula and local real estate developers to develop a program using the new statutory ability to use Section 8 to support mortgages. A key issue will be identification of sites and existing residential structures (perhaps tax lien properties) that can provide the "product" for the program. Determine if MHA-owned scattered site developments may be an appropriate starting place.
2. Develop a Memorandum of Agreement with the CHDO to take the lead on construction or rehabilitation of home-ownership product for use in a MHA Section 8 Home-ownership Program.
3. Investigate and implement as appropriate new buildings
4. Identify a local entity with the ability to provide home-ownership counseling and post-purchase support and contract for these services on a household-by-household basis.
5. Meet with local banks and lenders to explain the new abilities of the Section 8 Program. Determine the feasibility of a loan pool supported by a consortium of banks to share risk and Community Reinvestment Act (CRA) credit.

**III. IMPROVE MANAGEMENT SYSTEMS**

**A. Complete transition to new integrated management information system**

1. Continue integration of a new computer system into MHA operations, including refinement of comprehensive reporting on program utilization, performance indicators, income and expense information, program demographics, and a variety of operational activities such as rent collection, eviction process, work-orders, etc.
2. Refine and expand Intranet system to facilitate internal communication and access to approved policies, procedures, forms and other management tools.
3. Complete upgrade to new Windows version of Tenmast Software when available and provide training to staff.

**B. Implement and sustain employee evaluation procedures to provide fair and accurate assessments of staff based upon utilization of skills, quality of work, job knowledge, supervisory initiative and aptitude, efficiency of execution, and ability to perform in a manner that supports agency goals and objectives.**

1. Refine and expand policies and procedures for annual and interim employee evaluations.
2. Revise MHA's personnel policies to reflect current practices in the industry and to meet local customs and practices.
3. Develop appropriate evaluation criteria for each type of position on an "include but not limited to" basis.
4. Determine the feasibility of a performance based bonus system tied to meeting department goals and objectives and implement such a program if feasible. This system would have to avoid FLSA pay rate complications regarding "quid pro quo" bonus arrangements and also

be limited in fiscal years during which the financial position of the Authority makes such payments not prudent.

5. Train supervisors and employees on evaluation system and its objectives.
6. Enroll and offer courses through Nan McKay and similar vendors to provide updated training opportunities through either on-line or on-site venues.
7. Investigate and partner with similar agencies to contract for human resource management services.

**C. Increase financial accountability of MHA operations and increase reserves.**

1. Refine Departmental Budgets and reporting to better define and clarify MHA overhead factors.
2. Develop Service Contract cycles and bidding systems.
3. Develop system to monitor in-house and contract vacancy turnover programs on both cost and quality.
4. Modernize warehouse and inventory controls to account for decentralized staff materials needs.
5. Maintain reserves to meet industry standards.

**D. Establish Internal Audit Function**

1. Have Deputy Director develop monthly reports to cover PHAS and SEMAP items and provide a snapshot of agency status.
2. Revise and improve an agency performance reporting system that would compile operational and financial information into a series of monthly, quarterly and semi-annual reports that can support analysis of budgets and internal planning activities.
3. Develop file protocols for each department and program that define the data elements to be retained as part of the agency's official files. This would include whether these data elements are paper or electronic, who has right of access or ability to modify this information (which therefore include MIS security), and a procedural system for file purging and long-term retention of records. This initiative needs to be coordinated with the implementation of a central files system for the Service Center.
4. Develop capacity for random audit of program files for both Section 8 and Public Housing Programs. This refers to file pulls to review regulatory and procedural compliance of 5% to 10% of a program on an annual basis.

**E. Maximize MHA income streams to support core mission to the maximum extent feasible.**

1. Continue work on energy performance contracting program to maximize cost savings under PFS incentive program. Use creative finance mechanisms such as performance contracting to finance improvements "off-budget".
2. Explore and implement a tax-credit property management effort to attract contracts from other owners of tax-credit properties.
3. Create system to assess, promote and monitor residents in transition from welfare-to-work or from marginal employment to a living wage.
4. Continue expanding and refining risk management programs and staff safety training in order to mitigate and lessen insurance claims therefore leading to a reduction of insurance premiums.
5. Explore adjusting the Fair Market Rents in Missoula as set by HUD and other budget and payment standards to more correctly reflect the low supply, high demand, and rapidly increasing prices
6. Identify and develop new revenue producing businesses for the Housing Authority such as bond

- placement or third party property management contracts.
7. Seek public/private partnerships with community businesses and existing social service providers, to leverage MHA resources as well as increase the scope of grantsmanship.
  8. Seek corporations or community groups who are interested in "adopting" a MHA development. This to provide stronger relationships between MHA residents and the Missoula community and would include recreational activities, special projects, mentoring and other programs that develop leadership skills and provide role models to MHA program participants.
  9. Standardize physical plant, parts and systems to permit easy repairs and quicker response to maintenance needs.
  10. Implement direct deposit payments of HAP to landlords.
  11. Look into feasibility of expanding and/or moving MHA administrative offices

**IV. BUILD A PROGRAM OF COMMUNITY AND EMPOWERMENT DIRECTED AT PROMOTING CLIENT MOVEMENT THROUGH THE AFFORDABLE HOUSING CONTINUUM, FROM HOMELESSNESS TO HOME OWNERSHIP.**

**A. Design, develop, implement, monitor and evaluate an MHA Client Services Program of Empowerment, directed at long-term housing stability, that will serve Section 8 and Public Housing (and all MHA Housing programs) and that will promote client safety, and economic and personal self-sufficiency.**

1. Work with Officer Rod Swanson to develop a formal Neighborhood Safety and Empowerment Program, including children's activities.
2. Develop formal community collaborations for a multi-disciplinary service referral network; develop formal Memorandums of Understanding with key local agencies and organizations regarding MHA client referral for service, follow-through and follow-up accountability.
3. Establish a data bank of information through Customer Satisfaction surveys, internal tracking and client information that will support access to expanded and specific additional support service financial resources.
4. Prioritize Senior Housing Services, including the development of formal Resident Groups focused on empowerment and self-sufficiency.
5. Continue to refine the Family Self Sufficiency Program to meet service goals, expanding the FSS program concepts through all MHA programs.
6. Develop a public housing FSS program with additional staff to case manage public housing resident program
7. Develop a FSS program for public housing residents directed at long-term housing stability and family self-sufficiency
8. Develop an Elder and Disabilities Support Service Program, including additional MHA staff, directed at ensuring independent quality of life.
9. Work closely with the Planning and Development Department to assure effective support service program development on all new MHA ventures, including the SRO and Veteran's Housing.

**B. Design a program of support service directed at short-term MHA Client Service housing stability requirements.**

1. Work closely with all MHA departments to develop a supportive, effective and responsive back-up for day to day client issues.
2. Partner with Credit Counseling Services and other local groups to provide a regular series of financial assessment, budgeting, credit repair and financial fitness workshops for MHA clients.
3. Develop an appropriate and effective Community Service requirement response.

**C. Provide an atmosphere for MHA clients to be empowered to develop and formalize Resident Organizations appropriate to Public Housing and Section 8 Voucher needs.**

1. Develop and refine the Resident Advisory Board (RAB) and Family Self Sufficiency PCC processes.
2. Incorporate MHA client contribution throughout the organizational policy making processes via such vehicles as newsletters, annual events, open house, activities, etc.

**V. BUILD COMMUNITY AND SELF-SUFFICIENCY THROUGH MHA PROGRAMS**

**A. Improve self-sufficiency efforts to help people in public housing and other programs to move towards employment and homeownership, through coordination with outside agencies, which provide services.**

1. Complete initial needs assessment/perception survey.
2. Develop and implement system to track household job readiness and impediments to employment from unit or subsidy offer throughout of the residents' participation in MHA programs.
3. Develop support systems for the transition from welfare to work or from marginal employment to livable wage.
4. Design and implement Individual Savings Accounts (ISA) accounts to assist resident in saving monies that would have otherwise gone to pay rent but are exempted under HUD and MHA policies.
5. Continue to develop the Family Self-Sufficiency Program. Seek to be fully enrolled at 100 Section 8 participants and 15 Public Housing participants by fiscal year end.
6. Develop Memoranda of Agreement with supportive service providers to formalize their assistance to our residents and to provide a mechanism that would enable the development of supportive housing.

**B. Utilize non-profit subsidiary to design, implement and administer all MHA social service programs. These programs are to be supportive in nature and rely on established third party entities to provide direct services.**

1. Non-profit subsidiary will seek funds on MHA's behalf through grantsmanship and partnering.
2. MHA shall coordinate and facilitate delivery of community-based supportive services to its tenants with emphasis on basic life skills;
3. Non-profit subsidiary will coordinate all social service entities seeking access to MHA's developments including requests for programming space and access to residents.
4. MHA supportive service program shall distinguish between those who can attain independence from public assistance and those are likely to require more permanent housing and design and deliver services accordingly;

**C. Strengthen Section 3 efforts**

1. Initiate a public information program on Section 3 and its new importance for organizations that want to do business with the Authority. This public information program should be included in a larger initiative to encourage local businesses to respond to MHA procurements.
2. Develop program to provide technical assistance to Section 3 businesses.

**D. Improve Lease Enforcement to Build Communities**

1. Develop ongoing education programs for residents, law enforcement personnel, and judicial system on MHA lease requirements, federal regulations and the operational issues that MHA must confront to assure its residents their right to quiet and peaceful enjoyment of their housing.
2. Strictly enforce lease evictions that involve criminal activity that include, drugs, guns and violence.
3. Enhance and expand community watch initiatives (Neighborhood Watch, etc.).

**E. Improve MHA's ability to intervene with at risk families**

1. Formalize referral process of families falling behind in rent to appropriate resource to assist them in budgeting and other matters.
2. Increase staff capacity to recognize when social service referrals are necessary.
3. Work to strengthen tenant organizations and communication so that tenants can begin to provide support to each other.

**VI. STRENGTHEN MHA'S PRESENCE IN THE MISSOULA COMMUNITY AS A LEADER ON AFFORDABLE HOUSING ISSUES**

1. Develop a public relations program that provides periodic press releases and arranges for other forms of access to members of the press to make certain that MHA's turn-around activities are publicly understood.
2. Increase Commissioners' role to include periodic attendance at public forums or press briefings at which topics pertinent to their committee are presented (e.g. a press conference concerning MHA's annual modernization program or Housing Agency Plan submission).
3. Develop an agenda of legislative changes at the federal and state level that would support MHA's redevelopment.
4. Advocate for a state-level equivalent to the Low Income Housing Tax Credit. This type of initiative has already been implemented or has pending legislation in several states.
5. Coordinate with the City and County of Missoula toward a unified and consistent public housing policy.
6. Champion provision of equitable housing opportunity and development of affordable housing on behalf of those least able to advocate for themselves by actively marketing it programs to the community and advocating the housing needs of low-income persons in matters of community housing policy and land use regulation.
7. Become the local expert on housing policy and affordable housing development by providing the community with quality data on housing and housing needs, educating the community about housing issues and policy, and developing a public relations and media plan focusing on those served and in need rather than on the agency.
8. Work with the Missoula Housing Corporation, Missoula Aging Service, the District XI Human Resource Council, Neighborhood Housing Services and others to explore co-development, joint funding, homeownership, staff sharing, and cooperative arrangements with consultants.
9. Maintain and expand participation with the At-Risk Housing Coalition to find cooperative solutions to long-term homelessness and temporary housing needs.
10. Join and become active in local organizations that promote affordable housing in Missoula and Montana such as the Chamber of Commerce and Home Builders Association.
11. Become involved at the local and state levels with housing advocates to share information, training, and policies.



# Streamlined Annual PHA Plan

## PHA Fiscal Year 2005

[24 CFR Part 903.12(b)]

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The Missoula Housing Authority is submitting a Streamlined 5-Year and Annual Plan (50075-SF) as a small PHA and as a High Performer.

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#### B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE

**Form HUD-50077, PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans;**

**Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.**

For PHAs APPLYING FOR CAPITAL FUND PROGRAM (CFP) GRANTS:

**Form HUD-50070, Certification for a Drug-Free Workplace;**

**Form HUD-50071, Certification of Payments to Influence Federal Transactions;**

**Form SF-LLL & SF-LLLa, Disclosure of Lobbying Activities.**



**Executive Summary (optional)**

[903.7(r)]. If desired, provide a brief overview of the contents of the streamlined 5-Year/Annual Plan.

**1. Statement of Housing Needs** [24 CFR Part 903.12 (b), 903.7(a)]

**A. Housing Needs of Families on the Public Housing and Section 8 Tenant- Based Assistance Waiting Lists**

Housing Needs of Families on the PHA's Waiting Lists as of June 2005			
Waiting list type: (select one)			
<input type="checkbox"/> Section 8 tenant-based assistance			
<input checked="" type="checkbox"/> <b>Public Housing</b>			
<input 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	552		31%
Extremely low income <=30% AMI	428	78%	
Very low income (>30% but <=50% AMI)	98	18%	
Low income (>50% but <80% AMI)	21	4%	
Families with children	285	52%	
Elderly families	38	7%	
Families with Disabilities	130	24%	
White	481	87%	
African American	3	0.54%	
American Indian	57	10%	
Asian/Pacific Is./Other	11	2%	
Hispanic	27	9%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	249	45%	
2 BR	220	40%	
3 BR	51	9%	
4 BR	24	4%	
5 BR	4	0.7%	
5+ BR	N/A	N/A	
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			

**Housing Needs of Families on the PHA's Waiting Lists as of June 2005**

Waiting list type: (select one)

**Section 8 tenant-based assistance**

Public Housing

Combined Section 8 and Public Housing

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	821		16%
Extremely low income <=30% AMI	623	76%	
Very low income (>30% but <=50% AMI)	156	19%	
Low income (>50% but <80% AMI)	41	5%	
Families with children	470	57%	
Elderly families	68	8%	
Families with Disabilities	187	23%	
White	712	87%	
African American	4	0.49%	
American Indian	84	10%	
Asian/Pacific Is./Other	21	3%	
Hispanic	39	5%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	N/A	N/A	
2 BR	N/A	N/A	
3 BR	N/A	N/A	
4 BR	N/A	N/A	
5 BR	N/A	N/A	
5+ BR	N/A	N/A	

Is the waiting list closed (select one)?  No  Yes

If yes:

How long has it been closed (# of months)?

Does the PHA expect to reopen the list in the PHA Plan year?  No  Yes

Does the PHA permit specific categories of families onto the waiting list, even if generally closed?

No  Yes

**Housing Needs of Families on the PHA's Waiting Lists as of June 2005**

Waiting list type: (select one)

**Shelter + Care Program**

Public Housing

Combined Section 8 and Public Housing

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	30		14%
Extremely low income <=30% AMI	28	93%	
Very low income (>30% but <=50% AMI)	2	7%	
Low income (>50% but <80% AMI)			
Families with children	5	17%	
Elderly families	1	3%	
Families with Disabilities	30	100%	
White	26	87%	
African American	1	3%	
American Indian	2	7%	
Asian/Pacific Is./Other	1	3%	
Hispanic	0	0%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	N/A	N/A	
2 BR	N/A	N/A	
3 BR	N/A	N/A	
4 BR	N/A	N/A	
5 BR	N/A	N/A	
5+ BR	N/A	N/A	

Is the waiting list closed (select one)?  No  Yes

If yes:

How long has it been closed (# of months)?

Does the PHA expect to reopen the list in the PHA Plan year?  No  Yes

Does the PHA permit specific categories of families onto the waiting list, even if generally closed?

No  Yes

**Housing Needs of Families on the PHA's Waiting Lists as of June 2005**

Waiting list type: (select one)

- Uptown Single Room Occupancy Permanent Housing Project**  
 Public Housing  
 Combined Section 8 and Public Housing  
 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	26		
Extremely low income <=30% AMI	25	96%	
Very low income (>30% but <=50% AMI)	1	4%	
Low income (>50% but <80% AMI)			
Families with children	0		
Elderly families	2	7%	
Families with Disabilities	5	19%	
White	23	88%	
African American	3	12%	
American Indian			
Asian/Pacific Is./Other			
Hispanic			

Characteristics by Bedroom Size (Public Housing Only)

0 BR - SRO	26	100%	
1/2 BR	N/A	N/A	
3 BR	N/A	N/A	
4 BR	N/A	N/A	
5 BR	N/A	N/A	
5+ BR	N/A	N/A	

Is the waiting list closed (select one)?  No  Yes

If yes:

How long has it been closed (# of months)?

Does the PHA expect to reopen the list in the PHA Plan year?  No  Yes

Does the PHA permit specific categories of families onto the waiting list, even if generally closed?

No  Yes

## B. Strategy for Addressing Needs

### (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:**

- 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:**

- 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)

**Operate Section 8 Homeownership and continue implementation of Project-Based Voucher Programs**

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

**Strategy 1: Target available assistance to families at or below 30 % of AMI**

- 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)**

**Encourage participation in Family Self Sufficiency Program.**

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

**Strategy 1: Target available assistance to families at or below 50% of AMI**

- Employ admissions preferences aimed at families who are working
- Adopt rent policies to support and encourage work
- Other: (list below)**

**Encourage participation in Family Self Sufficiency Program.**

**Need: Specific Family Types: The Elderly**

**Strategy 1: Target available assistance to the elderly:**

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

**Act as developer for Section 202 elderly housing projects**

**Need: Specific Family Types: Families with Disabilities**

**Strategy 1: Target available assistance to Families with Disabilities:**

- 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)**

**Use a set-aside of Section 8 for PBV that is specifically targeted to supportive service programs**

**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:**

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

**Strategy 2: Conduct activities to affirmatively further fair housing**

- 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 903.12 (b), 903.7 (c)]

<b>Financial Resources: Planned Sources and Uses</b>		
<b>Sources</b>	<b>Planned \$</b>	<b>Planned Uses</b>
<b>1. Federal Grants (FY 2006 grants)</b>		
a) Public Housing Operating Fund	\$ 312,000	
a) Public Housing Capital Fund	\$ 492,000	
a) HOPE VI Revitalization		
a) HOPE VI Demolition		
a) Annual Contributions for Section 8 Tenant-Based Assistance	\$3,940,800	
a) Resident Opportunity and Self-Sufficiency Grants		
a) Community Development Block Grant	\$0	
b) HOME	\$0	
Other Federal Grants (list below)		
<b>Veterans Administration Per Diem</b>	\$ 160,000	Operations VA Hsg for Homeless
<b>Shelter Plus Care (Continuum of Care)</b>	\$ 600,000	SPC HAP
<b>SRO Mod Rehab Section 8</b>	\$ 58,000	Section 8 project-based HAP
<b>FSS Coordinator Grant</b>	\$ 72,860	Section 8 FSS Program
<b>2. Prior Year Federal Grants (unobligated funds only) (list below)</b>		
2003 CAP&RHF Fund (obligated by 9/30/2005)	\$ 84,000	PH replacement/6 units
2004 CAP & RHF Fund	\$380,000	PH mod & replacement
<b>3. Public Housing Dwelling Rental Income</b>	\$ 350,000	PH operations
<b>4. Other income (list below)</b>		
SRO Rents	\$ 18,000	Section 8 Operations
<b>4. Non-federal sources (list below)</b>		
Non-HUD property rents	\$ 10,800	Operations
<b>Total resources</b>	\$6,478,460	

### **3. PHA Policies Governing Eligibility, Selection, and Admissions**

[24 CFR Part 903.12 (b), 903.7 (b)]

**The Missoula Housing Authority has revised its Admissions & Continued Occupancy Policy (ACOP). The following responses reflect the current plan, including the applicable changes. The revised ACOP is included in the review documents as part of this agency plan.**

#### **A. Public Housing**

##### **(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: Ten (10)**
- When families are within a certain time of being offered a unit: Three (3) months**
- Other: (describe)

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)**

##### **Evidence of rehabilitation and mitigating circumstances**

- 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?

##### **Public Housing and Section 8 Applicants**

- 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. Site-Based Waiting Lists-Previous Year

1. Has the PHA operated one or more site-based waiting lists in the previous year? If yes, complete the following table; if not skip to d.

Site-Based Waiting Lists				
Development Information: (Name, number, location)	Date Initiated	Initial mix of Racial, Ethnic or Disability Demographics	Current mix of Racial, Ethnic or Disability Demographics since Initiation of SBWL	Percent change between initial and current mix of Racial, Ethnic, or Disability demographics

2. What is the number of site based waiting list developments to which families may apply at one time? \_\_\_

3. How many unit offers may an applicant turn down before being removed from the site-based waiting list? \_\_\_

4.  Yes  No: Is the PHA the subject of any pending fair housing complaint by HUD or any court order or settlement agreement? If yes, describe the order, agreement or complaint and describe how use of a site-based waiting list will not violate or be inconsistent with the order, agreement or complaint below:

d. Site-Based Waiting Lists – Coming Year

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

**May be retained on waiting list if unit is refused for “good cause.”**

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

**Residence choice, such as moving for a job or school, neighborhood preference or ease of management.**

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)

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 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)**

**Preference for elderly, disabled, families or single persons who have been displaced by government action over all other single family member households.**

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.

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

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)
- (3) 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)**

**1 Date and Time**

**2 Preference for elderly, disabled, families or single persons displaced by government action over all other single family member households.**

**1 Administrative transfer**

4. Relationship of preferences to income targeting requirements:

- The PHA applies preferences within income tiers**

**(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)**

**MHA Tenant Handbook with information and details on MHA facilities.**

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: 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 on the following table:

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

## B. Section 8

**The Missoula Housing Authority is currently revising its Section 8 Administrative Plan. The anticipated changes are procedural changes that affect the way the waiting list is administered. Therefore, the changes in the Section 8 Administrative Plan will be reviewed through public comment during the annual plan review process.**

### (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 – Section 8 Program only.**
- Criminal and drug-related activity, more extensively than required by law or regulation – Public Housing**
- More general screening than criminal and drug-related activity (list factors):
- Other (list below)

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 (describe below)**

**Participant's landlord history under the program. Release of criminal or drug related activity, if requested and if authorized by participant.**

### (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 (list below)

### **(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:

- 1. Documented medical reasons or other mitigating circumstances.**
- 2. Family qualifies for 4-bedroom unit or larger.**
- 3. As a reasonable accommodation for a disability.**
- 4. If Request for Tenancy Approval is awaiting upgrade to meet HQS and Local Sanitary Code Standards. Participant search period is extended to find another unit, if unit ultimately fails.**

### **(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)

**MHA is changing admissions policies to allow applicants up to 80% of median income as allowed by regulation, and removing the singles preference so that all applicants will be housed in order of date and time of application and according to income tiering to meet targeting regulations.**

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
- 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)**

**1 Administrative transfer**

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

**(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 (list below)

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

- Through published notices**  
 **Other (list below)**

**Through outreach to specific non-profit groups that assist persons with disabilities, and agencies who assist families with self-sufficiency goals.**

#### **4. PHA Rent Determination Policies**

[24 CFR Part 903.12(b), 903.7(d)]

##### **A. Public Housing**

###### **(1) Income Based Rent Policies**

a. Use of discretionary policies: (select one of the following two)

- 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))
- 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:

c. Rents set at less than 30% of 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)
- 95<sup>th</sup> 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)

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 (list below)

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?

**(2) Flat Rents**

a. 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 (list/describe below)**

**Rent rate analysis performed by local appraisal firm under contract to MHA.**

## B. Section 8 Tenant-Based Assistance

### (1) Payment Standards

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  
 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 (list below)

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 (list below)

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. Capital Improvement Needs**

[24 CFR Part 903.12(b), 903.7 (g)]

### **A. Capital Fund Activities**

#### **(1) Capital Fund Program**

- a.  Yes  No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 12 and 13 of this template (Capital Fund Program tables). If no, skip to B.
- b.  Yes  No: Does the PHA propose to use any portion of its CFP funds to repay debt incurred to finance capital improvements? If so, the PHA must identify in its annual and 5-year capital plans the development(s) where such improvements will be made and show both how the proceeds of the financing will be used and the amount of the annual payments required to service the debt. (Note that separate HUD approval is required for such financing activities.).

### **B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)**

#### **(1) Hope VI Revitalization**

- a.  Yes  No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to next component; if yes, provide responses to questions on chart below 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)  
Development name:  
Development (project) number:  
Status of grant: (select the statement that best describes the current status)  
 Revitalization Plan under development  
 Revitalization Plan submitted, pending approval  
 Revitalization Plan approved  
 Activities pursuant to an approved Revitalization Plan underway
- c.  Yes  No: Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year? If yes, list development name/s below:
- d.  Yes  No: 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:

- e.  Yes  No: 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:

**Thirty-six units total of Public Housing remain available for replacement. MHA received HUD approval to construct 6 units of Replacement Public Housing through the Replacement Housing Fund. MHA may seek to replace the remaining thirty-six units.**



## 6. Demolition and Disposition

[24 CFR Part 903.12(b), 903.7 (h)]

- a.  Yes  No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 or 24 (Hope VI) of the U.S. Housing Act of 1937 (42 U.S.C. 1437p) or Section 202/Section 33 (Mandatory Conversion) in the plan Fiscal Year? (If “No”, skip to component 7; if “yes”, complete one activity description for each development on the following chart.)

<b>Demolition/Disposition Activity Description</b>	
1a. Development name:	Undetermined
1b. Development (project) number:	
2. Activity type:	Demolition <input type="checkbox"/> Disposition <input checked="" type="checkbox"/>
3. Application status (select one)	Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date application approved, submitted, or planned for submission:	<u>(07/2006)</u>
5. Number of units affected:	Undetermined
6. Coverage of action (select one)	<input checked="" type="checkbox"/> Part of the development <input type="checkbox"/> Total development
7. Timeline for activity:	a. Actual or projected start date of activity: 02/2007 b. Projected end date of activity: 08/2007

**MHA staff has been directed by the Board of Commissioners to examine the feasibility of another round of public housing disposition.**

## **7. Section 8 Tenant Based Assistance--Section 8(y) Homeownership Program**

[24 CFR Part 903.12(b), 903.7(k)(1)(i)]

- (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 the next component; if “yes”, complete each program description below (copy and complete questions for each program identified.)

### **(2) Program Description**

**The MHA in cooperation with the Missoula Housing Corporation, Women’s Opportunity & Resource Development, Inc. (WORD), District XI Human Resource Development Council, and Neighborhood Housing Services of Great Falls, continues to operate a Section 8 Homeownership Voucher Program. Eligible Section 8 participants are offered the opportunity to participate in a First Time Homeowners Program. Preference is given to participants who are under contract in the MHA’s Family Self-Sufficiency Program.**

**WORD is a fully approved HUD Counseling Agency in good standing.**

#### 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, what is the maximum number of participants this fiscal year? **30 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:

**Family must be a qualified existing program participant who has been receiving housing assistance from MHA for a minimum of one year, and who has successfully complied with all rental program and lease requirements during that time. No debt may be owing to MHA or any other housing authority.**

#### c. What actions will the PHA undertake to implement the program this year (list)?

**Program has been implemented since 2002. Currently seven (8) families have purchased homes with homeownership vouchers.**

### **(3) Capacity of the PHA to Administer a Section 8 Homeownership Program**

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

- a.  Establishing a minimum homeowner downpayment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family's resources.
- b.  Requiring that financing for purchase of a home under its Section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.
- c.  Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below).
- d.  Demonstrating that it has other relevant experience (list experience below).

**The Missoula Housing Authority and Western Montana Mental Health Clinic created Garden City CHDO to develop the award winning, 36-unit condominium project. The housing project serves first time low-income homebuyers, and 20% of the homebuyers served have a mental disability.**

## **8. Civil Rights Certifications**

[24 CFR Part 903.12 (b), 903.7 (o)]

Civil rights certifications are included in the *PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Streamlined Five-Year/Annual Plans*, which is submitted to the Field Office in hard copy—see Table of Contents.

## **9. Additional Information**

[24 CFR Part 903.12 (b), 903.7 (r)]

### **A. PHA Progress in Meeting the Mission and Goals Described in the 5-Year Plan**

#### **Public Housing**

The Missoula Housing Authority has revised its Admissions & Continued Occupancy Policy (ACOP). The revised ACOP is included in the review documents as part of this agency plan. Changes in the document removed sections which addressed procedures rather than policies, and changed language and flow of information to be more reader-friendly. In addition, policy changes were incorporated which include limiting the number of times a family member may re-enter the household after move out, requiring residents on fixed incomes such as SSI and SS to recertify only once per year at the time of annual recertification; and reducing from 30 to 20 the number of hours per week of work or school required to exempt the person from community service. The preference section was also revised to better reflect HUD's guidance on income tiers as preferences, although there is no change in the way the waiting list policy is administered.

MHA has continued to advertise and contract for open purchase contracts for painting, plumbing, unit preparations, lawn care, heating, electrical, legal, security, carpet installation, and other services.

MHA continues to use Physical Needs Assessment and Accessibility studies used to assess priorities, timeliness, cost projections and set capital budget priorities.

#### **Section 8**

This plan incorporates changes to the administration of the Section 8 waiting list as follows: 1) the waiting list will be open to applicants up to 80% median income, as allowed by regulation. 2) The singles preference is removed so that all applicants will be housed in order by date and time of application and by income tiers to meet income targeting requirements.

Of the 150 Tenant Based Vouchers MHA has been approved to designate as Project Based Vouchers (PBV), MHA has approved 32 PBV in 4 different housing projects. MHA intends to advertise to the public the use of the remaining allowed PBV to both deconcentrate poverty and ensure affordable housing units throughout the community.

#### **Development**

The **Uptown** Apartments (Single Room Occupancy) renovation was completed in January 2005 and fully leased up by the end of February. MHA staff continues to assess this housing for single homeless individuals to ensure project compliance and responsible tenancy. This permanent housing project is the first of it's kind in Montana, has received great public support, and has become an example of how to incorporate public art with subsidized housing in urban areas.

Construction is near completion on the first housing for **homeless veterans** in Montana. This long term transitional housing project will be complete in August 2005 with lease up projected in September. This will provide 17, one-bedroom units and associated support services for homeless U.S. veterans.

Missoula Housing Authority's Replacement Housing Fund application for the 9<sup>th</sup> Street project has been approved. MHA intends to go out to bid for the six units of **replacement public housing** in June/July and begin construction in August/September 2005. MHA teamed up with the neighborhood council to submit a Neighborhood Grant offered by the City of Missoula to help build a bridge over an irrigation canal on 9<sup>th</sup> Street. MHA was awarded \$3000 towards the construction of the bridge, contingent on the neighborhood securing other funding.

Leased up three units renovated from MHA's prior office space located at elderly/disabled **public housing** project.

MHA is serving as the developer for **Maclay Commons**, which will house the Joseph Residence Program, run by the Poverello Center. The Joseph Residence is long-term transitional housing for homeless families. Construction of the 16 units has commenced as of May 20, 2005 and lease-up is projected in Jan/Feb 2006.

MHA's non-profit subsidiary, **Intermountain Development Company**, continues to develop the master plan, special zoning district, negotiate with prospective developers and conduct neighborhood outreach for the 12 acre infill site located in the center of Missoula.

The Missoula Housing Authority is serving as the development consultant for a Section 202 project awarded to the Missoula Housing Corporation. This 202 project will result in 40, one-bedroom units for seniors 62 years of age and over, whom are 50% Area Median Income or less. There will also be a two bedroom manager's unit. The project, **Glengarra Place**, is owned by the single purpose entity, Kilkenny Corporation, which is striving to close the project with HUD in a record 14 months. If current planning projections go as planned, construction on these units could start in January 2006.

### **Shelter Plus Care**

As part of the State of Montana Continuum of Care coalition, the Missoula Housing Authority applied for and was awarded 26 new Shelter Plus Care vouchers for homeless, disabled clientele. MHA also applied for the renewal of existing 70 Shelter Plus Care vouchers and was awarded. This totals 96 vouchers for the project – the largest in the State.

### **Client Services**

MHA's client service department has worked with partnering agencies to develop memoranda of understanding to help stabilize residents in the housing. In addition, the

client service department has established an ad hoc group of non-profit housing advocates, service agencies and for profit property management companies to work through issues that can jeopardize tenants housing.

### **Partnership**

In agreement with the North Missoula Community Development Corporation (NMCDC), MHA purchased river front in-fill lots to hold the land while the NMCDC raised funds for the eventual purchase of the land. NMCDC has purchased the lots and is constructing a land trust homeownership project that will have some market rate, but mostly 80% AMI homeownership.

MHA's subsidiary non-profit, Garden City Neighbors, Inc., has subdivided 2.13 acres in the Emma Davidson/River Road Neighborhood to create four (4) lots. The subdivision was created to sell three of the four parcels to the City Parks and Recreation Department for a neighborhood park and the other lot (which has a 3 bedroom single family home) will be sold as market rate. Two of the three "City" lots will be sold to the City in July 2005 and the third in September 2006.

Habitat for Humanity has approached the Missoula Housing Authority to purchase 3 lots in a new single family home subdivision and hold the land while Habitat raised funds for their homeownership project. MHA intends to purchase the land with a buy-back from Habitat in September 2006.

MHA awarded PBV to the following community agencies: three vouchers awarded to homeWORD for the Gold Dust, an existing LIHTC family housing project. Seven vouchers to homeWORD's Orchard Gardens project, new construction of 32 LIHTC funded units. Six vouchers to the YWCA of Missoula for use in their duplex housing targeted to survivors of domestic violence. Lastly, MHA awarded 16 vouchers to Garden City Neighbors, Inc., for the Maclay Commons project. This is 16 units of new construction using LIHTC and other funds to build eight duplexes of affordable housing for families facing homelessness.

### **Strategic Planning**

The Board of Commissioners held a strategic planning session on May 18, 2005 to assess goals to date and strategize on directions of the agency for the future. The goals they've set for the agency are included in the goals section of this plan.

These goals will set the work plan and priority for staff over the next three to five years.

### **Staff Capacity**

MHA continues to train existing and new staff on applicable subjects. Examples include rent calculation, inspection services, LIHTC compliance, boiler maintenance, cultural competency, RIM, fair housing design, property management, financial feasibility, property development and other technical trainings where needed.





## **B. Criteria for Substantial Deviations and Significant Amendments**

### **(1) Amendment and Deviation Definitions**

24 CFR Part 903.7(r)

#### a. Substantial Deviation from the 5-Year Plan

**The Missoula Housing Authority hereby defines substantial deviation and significant amendment or modification as any change in policy, which significantly and substantially alters the Authority's stated mission and the persons the Authority serves. This would include admissions preferences, demolition or disposition activities and conversion programs. Discretionary or administrative amendments consonant with the Authority's stated overall mission and basic objectives will not be considered substantial deviations or significant modifications.**

**Any policy changes or funding priorities as a result of future actions by HUD will not be considered significant amendments and/or substantial deviations from the plan.**

#### b. Significant Amendment or Modification to the Annual Plan

**The Missoula Housing Authority hereby defines substantial deviation and significant amendment or modification as any change in policy, which significantly and substantially alters the Authority's stated mission and the persons the Authority serves. This would include admissions preferences, demolition or disposition activities and conversion programs. Discretionary or administrative amendments consonant with the Authority's stated overall mission and basic objectives will not be considered substantial deviations or significant modifications.**

**Any policy changes or funding priorities as a result of future actions by HUD will not be considered significant amendments and/or substantial deviations from the plan.**

## **C. Other Information**

[24 CFR Part 903.13, 903.15]

### **(1) Resident Advisory Board Recommendations**

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

If yes, provide the comments below:

**RAB recommended that the singles preference be retained for Public Housing waiting list, but eliminated for Section 8 Voucher waiting list.**

**RAB recommended that Section 8 Program be open to applicants up to 80% of median income as allowed by regulations.**

b. 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:**

**Singles preference retained for Public Housing waiting list.**

**Singles preference eliminated for Section 8 Voucher waiting list.**

**Section 8 Voucher waiting list opened to applicants up to 80% of median income as allowed by regulation.**

Other: (list below)

## **(2) Resident Membership on PHA Governing Board**

a. Does the PHA governing board include at least one member who is directly assisted by the PHA this year?

Yes  No:

If yes, complete the following:

Name of Resident Members of the PHA Governing Board:

**Peggy Jacobson**  
**Chuck Hossfeld**

Method of Selection:

Appointment

**The term of appointment is (include the date term expires):**

**Peggy Jacobson: 08/15/1995 – 06/25/2006**

**Chuck Hossfeld: 06/26/2003 – 06/25/2007>(\*Approved for re-appointment)**

Election by Residents (if checked, complete next section--Description of Resident Election Process)

### **Description of Resident Election Process**

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)

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)

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)

b. 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):

Date of next term expiration of a governing board member: **06/25/2005 – Chuck Hossfeld. Applied and has been re-appointed for additional two year term (6/25/2007).**

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

**Missoula Mayor Mike Kadas**

**(3) PHA Statement of Consistency with the Consolidated Plan**  
[24 CFR Part 903.15]

**Consolidated Plan jurisdiction: City of Missoula, MT**

a. 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 on its waiting list 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)**

**Assist homeless by increasing and/or expanding availability of emergency shelter facilities, transitional and permanent housing opportunities, and supportive services and prevention programs, and place greater emphasis on providing permanent housing as soon as possible for homeless individuals and families.**

**Increase and preserve the supply of affordable rental units for low and moderate-income households, including special needs persons, to include acquisition, rehabilitation and new construction.**

**Increase and preserve affordable homeownership for low and moderate income households, including special needs persons.**

**Further investigate and develop an action plan to address community-wide barriers to affordable housing and barriers to fair housing compliance.**

**Increase accessibility in compliance with ADA requirements.**

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

**(4) (Reserved)**

Use this section to provide any additional information requested by HUD.

## **10. Project-Based Voucher Program**

- a.  Yes  No: Does the PHA plan to “project-base” any tenant-based Section 8 vouchers in the coming year? If yes, answer the following questions.
- b.  Yes  No: Are there circumstances indicating that the project basing of the units, rather than tenant-basing of the same amount of assistance is an appropriate option?

If yes, check which circumstances apply:

- Low utilization rate for vouchers due to lack of suitable rental units
- Access to neighborhoods outside of high poverty areas
- Other (describe below):**

**Over the years 0f 1999 – 2003, Missoula's average vacancy rate has stood at less than 1% as contrasted to a desired rate of 6%. This has led to tremendous demand for apartments and the market pricing of units, which normally would be for extremely low income persons, well beyond their ability to pay. During that same time, building permits have not kept pace with estimated demand - - Missoula's Consolidated Plan for that period called for a minimum of 770 units per year or a total of 3,850. However, that period saw permits being issued for only 1,854 multi-family units. Compounding that problem is the fact that of those 1,854 units built, only 20 (or about 1%) are estimated to be priced for extremely low income, or 30% of Area Median Income (AMI). At the same time, MHA's waiting list for that income group has grown from 543 (approximately 2 year wait) to 623, an increase of over 30%. Simply put, there are insufficient units in the market to provide competitive rental rates for Section 8 tenant based units - - the Section 8 tenant based vouchers are used but at rental rates that are inflated due to the lack of units. By project basing units, MHA can both encourage new construction and preserve existing units which serve 30% AMI. Project basing also allows developers to specialize housing projects for special needs populations. Often these developments can address the specific and often sensitive issues that these populations face in becoming self-sufficient. These developments can be permanent or transitional (transitional in terms of maximum occupancy of two (2) years but minimum lease period of six months). Examples of transitional housing (with associated social services) for special needs populations include: homeless family housing, domestic violence, homeless veterans, and households graduating from chemical dependency treatment.**

**MHA’s plan has already been approved by HUD to allocate 20% of its 754 tenant based vouchers to project based vouchers (approximately 150). MHA will coordinate an open competition for developers and service providers to submit proposals for award of a PBV contract for up to 10 years or longer depending upon the type of project, the status of regulations, and upon appropriation by Congress. As part of the contract, MHA will administer the vouchers and manage**

site-based waiting lists specific to the special needs population of the development.

By MHA utilizing site-based waiting lists, MHA and the affordable housing provider can work together to draw applicants who may be specifically interested in the site or benefit from the program being run at the site. Examples of an appropriate sorting system(s) include: sorting by income tiers, Board approved preferences, special needs, and sorting by ranking.

All applicants will be given the opportunity to be included on any of the Missoula Housing Authority program waiting lists if they meet the program's eligibility requirements. It is expected that site-specific waiting lists will have criteria specific to the population, and therefore each site-based waiting list will be independent of one another. Residents will be selected on a "first-come first-serve" basis. To be added to the waiting list(s), an applicant must provide initial application information to prove their eligibility for the program. Their eligibility status and income level will be verified at the time they reach the top of the waiting list.

All units assisted will meet or exceed housing quality standards as set forth by HUD. All project based vouchers will be under guidance of MHA's Section 8 Administration policy.

If a family moves out of its project-based unit at any time after the first year of assisted occupancy, the Missoula Housing Authority (MHA) will offer the family available tenant-based rental assistance. MHA will provide the family a voucher from the tenant-based section 8 voucher program. If a voucher is not available when the family is ready to move, MHA will give that family priority to receive the next available tenant-based voucher.

- c. Indicate the number of units and general location of units (e.g. eligible census tracts or smaller areas within eligible census tracts):

**MHA previously advertised for up to 35 vouchers in new and existing categories. Those have been approved according to MHA's application criteria and HUD's review of the new construction applications for Site & Neighborhood Standards 24 CFR 983.6:**

- 3 vouchers for existing, family housing = homeWORD Gold Dust LIHTC housing.
- 3 vouchers for new housing for families leaving transitional alcohol/drug treatment facilities (requiring a supportive service plan to continue the treatment of those families) = MHA received no applicants.
- 6 vouchers for existing housing for victims of domestic violence (requiring a supportive service plan to continue the treatment of those families) = YWCA of Missoula, 6 units.
- 23 vouchers for new, family housing = Maclay Commons, new construction of 16 units in 8 duplexes for families facing homelessness and Orchard Gardens, homeWORD's new construction LIHTC project. Of 35 units, 7 will be assisted with PBV.

**It is projected that over the course of the next federal fiscal year (FY 2006), the remaining 118 vouchers could be advertised and contracted to new and existing units. The populations that will benefit from the potential up-coming project based-vouchers are low-income, elderly, disabled and special needs populations.**

**The general location of the vouchers will be dispersed throughout the City of Missoula. Under current regulations, census tracts that have less than 20% poverty rate will be approved as eligible. Census tracts that have between 20 – 30% poverty rate will be considered, understanding that approval of such census tracts would require a waiver from HUD. Census tracts over 30% are not permitted by current regulation and therefore will not be considered. One of the critical considerations in awarding PBV in those 20-30% census tracts is the location of the project in relation to the true concentration of poverty. A heavy concentration of college students (many supported by grants, loans, and family income which is not counted as income) occupy units in those census tracts with poverty rates over 20%. Using income data and poverty information for students collected by the University of Montana, MHA backed out the number of college students under poverty level in each of the affected census tracts to end up with overall poverty rates less than 20%. MHA would use the same methodology when analyzing a project in a waiver eligible census tract. Using that approach, MHA recently requested and received waivers for three (3) projects in census tracts with poverty rates between 20-30% but whose rates fell below 20% once the university students were eliminated from the population pool. MHA would also determine whether the immediate neighborhood surrounding the proposal has a concentration of poverty before applying for the necessary waiver.**

**If the proposed PBV rules as published for comments this year become final, MHA will adjust its PBV program to meet the standards set in those new rules. Those new rules would permit the use of PBV in neighborhoods where there is a greater than 20% poverty rate based upon the same analysis of the immediate neighborhood outlined above.**

**Of the 17 neighborhoods in Missoula, all but 5 have significant rental populations. Those 5 lie on the extreme outskirts of town, have the highest percentage of home ownership, limited public transportation, and nearly no-nonresidential uses such as stores or offices for supportive services. MHA anticipates that a majority of its tenant and project based voucher holders will live in the other 12 neighborhoods that comprise an area that is roughly 4 miles by 4 miles in size. It is anticipated that over 90% of the project based vouchers will be awarded to projects in that 12 neighborhood area; MHA's current projects are in only 4 of those 12 neighborhoods. In addition to the goal of poverty deconcentration explained above, another goal is to scatter the units through those 12 of the City's neighborhoods, targeting first (but not necessarily limiting) the 8 neighborhoods where MHA has few or no units, to deconcentrate poverty.**

## 11. List of Supporting Documents Available for Review for Streamlined Five-Year/ Annual PHA Plans

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

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
X	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans.</i>	Standard 5 Year and Annual Plans; streamlined 5 Year Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan.	5 Year Plans
X	Fair Housing Documentation Supporting Fair Housing Certifications: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions’ initiatives to affirmatively further fair housing that require the PHA’s involvement.	5 Year and Annual Plans
X	Housing Needs Statement of the Consolidated Plan for the jurisdiction(s) in which the PHA is located and any additional backup data to support statement of housing needs for families on the PHA’s public housing and Section 8 tenant-based waiting lists.	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP] and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies
N/A	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. <input type="checkbox"/> Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the method for setting public housing flat rents. <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
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 (if included in plan, not necessary as a supporting document) and written analysis of Section 8 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). MHA Safety Plan.	Annual Plan: Operations and Maintenance
X	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations
N/A	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-Sufficiency
X	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
X	Any policies governing any Section 8 special housing types <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance



<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Related Plan Component</b>
N/A	Consortium agreement(s).	Annual Plan: Agency Identification and Operations/ Management
X	Public housing grievance procedures <input 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 Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
N/A	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs
N/A	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing.	Annual Plan: Capital Needs
X	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs
N/A	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
N/A	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
N/A	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing
N/A	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
N/A	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program (Section 20 Special Housing Types, G. Homeownership Option of the Section 8 Administrative Plan)	Annual Plan: Homeownership
X	Public Housing Community Service Policy/Programs <input checked="" type="checkbox"/> Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency
X	Cooperative agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies.	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan(s) for public housing and/or Section 8.	Annual Plan: Community Service & Self-Sufficiency
X	Section 3 documentation required by 24 CFR Part 135, Subpart E for public housing.	Annual Plan: Community Service & Self-Sufficiency
N/A	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency
X	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Pet Policy
X	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit
N/A	Consortium agreement(s), if a consortium administers PHA programs.	Joint PHA Plan for Consortia
N/A	Consortia Joint PHA Plans ONLY: Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection	Joint PHA Plan for Consortia
N/A	Other supporting documents (optional). List individually.	(Specify as needed)



**12. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report**

<b>Annual Statement/Performance and Evaluation Report</b>					
<b>Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary</b>					
<b>PHA Name:</b>		<b>Grant Type and Number</b> Capital Fund Program Grant No: Replacement Housing Factor Grant No:			<b>Federal FY of Grant:</b>
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		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				
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 Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)				
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

**12. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report**

Annual Statement/Performance and Evaluation Report								
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
		Capital Fund Program Grant No:						
		Replacement Housing Factor Grant No:						
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	

### 13. Capital Fund Program Five-Year Action Plan

<b>Annual Statement/Performance and Evaluation Report</b> <b>Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)</b> <b>Part III: Implementation Schedule</b>							
PHA Name:			<b>Grant Type and Number</b> Capital Fund Program No: Replacement Housing Factor No:			Federal FY of Grant:	
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	

### **13. Capital Fund Program Five-Year Action Plan**

<b>Capital Fund Program Five-Year Action Plan</b>					
<b>Part I: Summary</b>					
PHA Name				<input type="checkbox"/> <b>Original 5-Year Plan</b> <input type="checkbox"/> <b>Revision No:</b>	
Development Number/Name/HA-Wide	Year 1	Work Statement for Year 2 FFY Grant: PHA FY:	Work Statement for Year 3 FFY Grant: PHA FY:	Work Statement for Year 4 FFY Grant: PHA FY:	Work Statement for Year 5 FFY Grant: PHA FY:
	Annual Statement				
CFP Funds Listed for 5-year planning					
Replacement Housing Factor Funds					

**13. Capital Fund Program Five-Year Action Plan**

<b>Capital Fund Program Five-Year Action Plan</b>						
<b>Part II: Supporting Pages—Work Activities</b>						
Activities for Year 1	Activities for Year : ____ FFY Grant: PHA FY:			Activities for Year: ____ FFY Grant: PHA FY:		
	<b>Development Name/Number</b>	<b>Major Work Categories</b>	<b>Estimated Cost</b>	<b>Development Name/Number</b>	<b>Major Work Categories</b>	<b>Estimated Cost</b>
<b>See</b>						
<b>Annual</b>						
<b>Statement</b>						
<b>Total CFP Estimated Cost</b>			\$			\$

### 13. Capital Fund Program Five-Year Action Plan

<b>Capital Fund Program Five-Year Action Plan</b>					
<b>Part II: Supporting Pages—Work Activities</b>					
Activities for Year : ____ FFY Grant: PHA FY:			Activities for Year: ____ FFY Grant: PHA FY:		
Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	Estimated Cost
<b>Total CFP Estimated Cost</b>		\$			\$





	A	B	C	D	E	F	H	I	J
1	<b>ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT</b>								
2	<b>Capital Fund Program</b>								
3	<b>Part II: Supporting Pages</b>								
4	<b>Missoula Housing Authority MT033</b>			Capital Fund Program Grant Number MT06-PO33-501-02			FFY of Grant Approval 2002		
5	Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
6					Original	Revised	Funds Obligated	Funds Expended	
7	HA-WIDE	Operations	1406		\$ 237,000.00	\$ 237,000.00	\$ 237,000.00	\$ 237,000.00	Complete
8									
9	HA-WIDE	Web Site Development	1408		\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 500.00	Contracted
10									
11	HA-WIDE	Administration	1410		\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	Completed
12									
13	HA-WIDE	ABT Master Plan	1430		\$ 19,230.79	\$ 3.00	\$ 3.00	\$ 3.00	Completed
14	HA-WIDE	MAPPLAN Consultation	1430		\$ -	\$ 4,867.75	\$ 4,867.75	\$ 4,867.75	Completed
15	HA-WIDE	Flat Rent Study	1430		\$ 1,750.00	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00	Completed
16									
17	002/VV	Landscaping	1450		\$ 4,700.00	\$ 4,700.00	\$ 4,700.00	\$ 4,700.00	Completed
18									
19	HA-WIDE	Mod. at Turnover	1460		\$ 90,669.75	\$ 105,027.79	\$ 105,027.79	\$ 101,246.75	In-progress
20	001 Toole/009	Hot Water Tanks	1460	9	\$ 15,387.00	\$ 15,387.00	\$ 15,387.00	\$ 15,387.00	Complete
21	002/VV	Exterior Paint	1460		\$ 29,400.00	\$ 29,400.00	\$ 29,400.00	\$ 29,400.00	Complete
22	003/Pullman	Hot Water Tanks	1460	1	\$ 1,635.00	\$ 1,635.00	\$ 1,635.00	\$ 1,635.00	Complete
23	003/Butte	Exterior Paint	1460		\$ 2,600.00	\$ 2,600.00	\$ 2,600.00	\$ 2,600.00	Complete
24	003/Stoddard	Exterior Paint	1460		\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	Complete
25	003/Butte/N6th	Siding	1460		\$ 19,610.00	\$ 19,610.00	\$ 19,610.00	\$ 19,610.00	Complete
26	009/Toole	Exterior Paint	1460		\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	Complete
27	011/W. Vista	Window Replacement	1460		\$ 3,670.00	\$ 3,670.00	\$ 3,670.00	\$ 3,670.00	Complete
28	011/4th St	Shakes & Exterior Paint	1460		\$ 7,958.11	\$ 7,958.11	\$ 7,958.11	\$ 7,958.11	Complete
29	011/36 RP	Deck and Railing	1460		\$ 1,608.26	\$ 1,608.26	\$ 1,608.26	\$ 1,608.26	Complete
30	012/Ebb Way	Gutters & Downspouts	1460		\$ 640.00	\$ 640.00	\$ 640.00	\$ 640.00	Complete
31	014/Hillview	Roof	1460		\$ 3,250.00	\$ 3,250.00	\$ 3,250.00	\$ 3,250.00	Complete
32	014/28 RP	Deck	1460		\$ 1,567.10	\$ 1,569.10	\$ 1,569.10	\$ 1,569.10	Complete
33	003/Butte	Accessibility Improvements	1460		\$ 5,595.99	\$ 5,595.99	\$ 5,595.99	\$ 5,595.99	Complete
34									

	A	B	C	D	E	F	H	I	J
1	<b>ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT</b>								
2	<b>Capital Fund Program</b>								
3	<b>Part II: Supporting Pages</b>								
4	<b>Missoula Housing Authority MT033</b>			Capital Fund Program Grant Number MT06-PO33-501-02			FFY of Grant Approval 2002		
5	Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
6					Original	Revised	Funds Obligated	Funds Expended	
35	HA-WIDE	Appliances	1465.1		\$ 3,238.00	\$ 3,238.00	\$ 3,238.00	\$ 3,238.00	Complete
36	002/VV	Appliances	1465.1		\$ 4,950.00	\$ 4,950.00	\$ 4,950.00	\$ 4,950.00	Complete
37	HA-WIDE	Appliances	1465.1		\$ 2,003.00	\$ 2,003.00	\$ 2,003.00	\$ 2,003.00	Complete
38									
39	HA-WIDE	Office Equipment & Computers	1475		\$ 1,900.00	\$ 1,900.00	\$ 1,900.00	\$ 1,900.00	Complete
40		Maintenance Vehicles	1475	1	\$ 14,240.00	\$ 14,240.00	\$ 14,240.00	\$ 14,240.00	Complete
41									
42		TOTAL CFP COST			\$ 514,503.00	\$ 514,503.00	\$ 514,503.00	\$ 509,221.96	
43									
44									

ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT					
Capital Fund Program Part I: Summary					
Missoula Housing Authority MT033			Capital Fund Program Grant Number MT06-PO33-501-02		FFY of Grant Approval 2002
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no._____)					
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: <u>7/11/2005</u> <input type="checkbox"/> Final Performance and Evaluation Report					
Line #	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CAP Funds				
2	1406 Operations	\$ 237,000.00	\$ 237,000.00	\$ 237,000.00	\$ 237,000.00
3	1408 Management Improvements	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 500.00
4	1410 Administration	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$ 20,980.79	\$ 6,620.75	\$ 6,620.75	\$ 6,620.75
8	1440 Site Acquisition				
9	1450 Site Improvement	\$ 4,700.00	\$ 4,700.00	\$ 4,700.00	\$ 4,700.00
10	1460 Dwelling Structures	\$ 198,491.21	\$ 212,851.25	\$ 212,851.25	\$ 209,070.21
11	1465.1 Dwelling Equipment - Nonexpendable	\$ 10,191.00	\$ 10,191.00	\$ 10,191.00	\$ 10,191.00
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	\$ 16,140.00	\$ 16,140.00	\$ 16,140.00	\$ 16,140.00
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2-20)	\$ 514,503.00	\$ 514,503.00	\$ 514,503.00	\$ 509,221.96
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conversation Measures				

2002 CFP														8/9/2005
Req. #	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	TOTAL	DATE	DRAWDOWN
	1406	1408	1410	1430	1430	1450	1460	1465	1470	1470	1475			
1	58,394.56											58,394.56	2/4/2003	58,394.56
2	18,159.28											18,159.28	3/3/2003	76,553.84
3	15,933.90											15,933.90	4/2/2003	92,487.74
4	16,547.60											16,547.60	5/2/2003	109,035.34
5	20,857.40											20,857.40	6/3/2003	129,892.74
6	16,087.95											16,087.95	7/2/2003	145,980.69
7	3,718.74	500.00	10,000.00		-							14,218.74	8/4/2003	160,199.43
8	13,387.04											13,387.04	9/2/2003	173,586.47
9	7,280.54		10,000.00									17,280.54	10/2/2003	190,867.01
10	19,618.45		5,000.00				1,805.00					26,423.45	11/7/2003	217,290.46
11	10,014.54				\$ 3.00		240.00					10,257.54	12/2/2003	227,548.00
12							5,189.50					5,189.50	1/5/2004	232,737.50
13							22,985.00					22,985.00	2/2/2004	255,722.50
14							2,709.48					2,709.48	3/2/2004	258,431.98
15							18,766.25	1,950.00				20,716.25	3/26/2004	279,148.23
16							17,345.89					17,345.89	5/6/2004	296,494.12
17							14,674.23	3,291.00			1,900.00	19,865.23	6/2/2004	316,359.35
18							9,555.50	4,950.00				14,505.50	7/2/2004	330,864.85
19							21,357.60				12,879.00	34,236.60	8/3/2004	365,101.45
20	17,270.12						40,123.53					57,393.65	9/2/2004	422,495.10
21	19,729.88				1,750.00		28,177.36				1,361.00	51,018.24	10/5/2004	473,513.34
22							3,553.36					3,553.36	11/3/2004	477,066.70
23							12,008.51					12,008.51	12/3/2004	489,075.21
24						4,700.00						4,700.00	2/1/2005	493,775.21
25					4,867.75							4,867.75	5/2/2005	498,642.96
26							5,879.00					5,879.00	6/1/2005	504,521.96
27							4,700.00					4,700.00	7/11/2005	509,221.96
SPENT	237,000.00	500.00	25,000.00	-	6,620.75	4,700.00	209,070.21	10,191.00	-		16,140.00	509,221.96	FY05	35,708.62
VISED BUDGET	237,000.00	2,000.00	25,000.00		6,620.75	4,700.00	212,851.25	10,191.00	-	-	16,140.00	514,503.00		
As of 06/03/05														
Remaining	-	1,500.00	-	-	-	-	3,781.04	-	-		-	5,281.04		
Soft	\$237,000.00	\$500.00	\$25,000.00		\$ 6,620.75	4,700.00	136,353.39	\$ 8,241.00				\$ 418,415.14		
Capitalized							\$ 72,716.82	1,950.00			16,140.00	\$ 90,806.82		
												\$ 509,221.96		
FY05	\$ -	\$ -	\$ -	\$ -	\$ 4,867.75	\$ 4,700.00	\$ 26,140.87	\$ -	\$ -	\$ -	\$ -	\$ 35,708.62		

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	10/30/2002		4,183.57	1
1406.01	Rcls Wages & Benefits	11/30/2002		21,077.75	1
1406.01	Rcls Wages & Benefits	12/31/2002		18,296.06	1
1406.01	Rcls Wages & Benefits	1/31/2002		14,837.18	1
			Total	<u>58,394.56</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Revised Rcls Wages & Benefits	1/31/2003		808.43	2
1406.01	Rcls Wages & Benefits	2/28/2003		17,350.85	2
			Total	<u>18,159.28</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	3/31/2003		15,933.90	3
			Total	<u>15,933.90</u>	



<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	4/30/2003		16,547.60	4
			Total	<u>16,547.60</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	5/31/2003		20,857.40	5
			Total	<u>20,857.40</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	6/30/2003		16,087.95	6
			Total	<u>16,087.95</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	7/31/2003		3,718.74	7
1408.01	Management Expenses	7/31/2003	103407	500.00	7
1410.01	Rcls Admin Wages & Benefits	7/31/2003		10,000.00	7
			Total	<u>14,218.74</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	8/31/2003		13,387.04	8
			Total	<u>13,387.04</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	9/30/2003		7,280.54	9
1410.01	Rcls Wages & Benefits	9/30/2003		10,000.00	9
			Total	<u>17,280.54</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	10/31/2003		19,618.45	10
1410.01	Rcls Wages & Benefits	10/31/2003		5,000.00	10
1460.00	Sentinel Mechanical, Inc	10/10/2003	103925	1,635.00	10
1460.01	Pierce Flooring	10/30/2003	104026	170.00	10
				<hr/> 26,423.45	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	11/30/2003		10,014.54	11
1430.01	Petty Cash	11/25/2003	104139	3.00	11
1460.01	UBC	11/14/2003	104097	240.00	11
				<hr/> 10,257.54	



Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.00	UBC	12/5/2004	104170	2,156.00	12
1460.01	UBC	12/5/2004	104170	479.00	12
	Pierce Flooring	12/12/2004	104191	757.00	12
	Pierce Flooring	12/24/2004	104228	1,797.50	12
				<u>3,033.50</u>	
				5,189.50	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.00	V & A Construction Misc Tax Division	1/9/2004	104308	19,413.90	13
		1/9/2004	104302	<u>196.10</u>	13
				19,610.00	
1460.01	Pierce Flooring Pierce Flooring Pierce Flooring Pierce Flooring	1/5/2004	104273	1,111.00	13
		1/5/2004	104273	1,150.00	13
		1/23/2004	104362	185.00	13
		1/23/2004	104362	<u>929.00</u>	13
				<u>3,375.00</u>	
				22,985.00	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1460.00	United Building Center	2/25/2004	104488	2,709.48	14 Butte ADA

Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.00	United Building Center	3/26/2004	104609	2,925.72	15 41 RP
1460.00	United Building Center	3/26/2004	104609	2,259.35	15 23 RP
				5,185.07	
1460.01	Pierce	3/5/2004	104516	1,878.00	15 Stock carpet
1460.01	Pierce	3/12/2004	104543	847.00	15 23 RP
1460.01	Pierce	3/19/2004	104583	1,427.73	15 44 RP
1460.01	Pierce	3/31/2004		458.45	15 2328 W. Vista
1460.01	Pierce	4/1/2004		5,980.00	15 Stock carpet
1460.01	Pierce	4/2/2004		2,990.00	15 Stock carpet
				13,581.18	
1465.00	Vanns	3/26/2004	104612	1,950.00	15
				20,716.25	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.00	Montana Glass, Inc.	4/28/2004	104740	3,670.00	16 2328 W Vista
1460.00	United Building Center	4/28/2004	104749	2,486.00	16 1237 Butte #4 ADA
1460.00	Thomas Plumbing	3/26/2004	104608	368.74	16 1237 Butte #4 ADA
1460.00	Palmer Electrical	4/5/2004	104632	1,175.00	16 1237 Butte #4 ADA
1460.00	Bill's 24 Hour Plumbing	3/5/2004	104497	684.31	16 1237 Butte #4 ADA
1460.00	BMC West	3/5/2004	104498	289.07	16 1237 Butte #4 ADA
1460.00	Boyce Lumber	3/5/2004	104499	366.42	16 1237 Butte #4 ADA
				<b>9,039.54</b>	
1460.01	Pierce	4/16/2004	104711	1,226.14	16 102 Pullman #2
1460.01	Pierce	4/16/2004	104711	1,454.17	16 1001 Toole #3
1460.01	Pierce	4/23/2004	104728	559.56	16 1319 W. Broadway
1460.01	Pierce	4/28/2004	104745	712.95	16 309 W. Spruce
1460.01	Pierce	4/28/2004	104745	1,271.08	16 100 Pullman #3
1460.01	United Building Center	4/28/2004	104749	370.00	16 VV #305
1460.01	Pierce	3/12/2004	104543	680.65	16 1237 Butte ADA
1460.01	Pierce	4/16/2004	104711	2,031.80	16 1237 Butte ADA
				<b>8,306.35</b>	
				<b>17,345.89</b>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1475.00	Anders Business Solutions	5/14/2004	104811	1,900.00 <b>1,900.00</b>	17 Offince - new fax
1465.01	Vann's Appliance	5/26/2004	104883	2,003.00	17 VV new units, Appliances
1465.01	Vann's Appliance	5/26/2004	104883	779.00	17 Stock Appliances
1465.01	Vann's Appliance	5/7/2004	104785	509.00 <b>3,291.00</b>	17 1237 Butte #4, Appliances
1460.00	United Building Center	5/26/2004	104881	455.00	17 936 Stoddard #1 Countertop
1460.00	United Building Center	5/26/2004	104881	480.00	17 36 RP Countertop
1460.00	Prior period adjustment	5/1/2004	n/a	(5.50) <b>929.50</b>	17 Adjustment
1460.01	Pierce Flooring	5/14/2004	104835	1,161.55	17 46 RP Flooring
1460.01	Pierce Flooring	5/14/2004	104835	4,882.00	17 Stock Carpeting
1460.01	Pierce Flooring	5/14/2004	104835	2,990.00	17 Stock Carpeting
1460.01	Pierce Flooring	5/14/2004	104835	2,990.00	17 Stock Carpeting
1460.01	Pierce Flooring	5/21/2004	104858	667.00	17 730 N 6th Flooring
1460.01	Pierce Flooring	5/21/2004	104858	1,054.18 <b>13,744.73</b>	17 936 Stoddard #1 Flooring
				<b>19,865.23</b>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1465.01	Vann's Appliance	6/25/2004	105003	4,950.00 <b>4,950.00</b>	18 VV LAUNDRY MACHINES
1460.01	Pierce Flooring	6/4/2004	104937	717.00	18 730 N 6TH W #3 FLOORING
1460.01	Pierce Flooring	6/4/2004	104937	2,990.00	18 STOCK CARPET
1460.01	Pierce Flooring	6/4/2004	104937	1,791.50	18 39 R P FLOORING
1460.01	Pierce Flooring	6/18/2004	104969	487.00	18 VV #208 FLOORING
1460.01	Vision Painting	5/28/2004	104887	2,400.00	18 936 STODDARD PAINTING
1460.01	Vision Painting	6/18/2004	104978	520.00	18 1237 BUTTE PAINTING
1460.01	Vision Painting	6/25/2004	105004	650.00 <b>9,555.50</b>	18 1237 BUTTE PAINTING
				<b>14,505.50</b>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1475.00	4 SEASONS MOTORS	7/23/2004	105103	7,379.00	19 99 MERCURY PURCHASE
1475.00	MISSOULA CHILDREN'S THEATRE	7/23/2004	105114	5,500.00	19 02 FORD RANGER PURCHASE
				<b>12,879.00</b>	
1460.01	RUSSELL PUPPE DRYWALL & PAINTING	7/2/2004	105027	2,500.00	19 TOOLE AVE PAINTING
1460.01	VISION PAINTING	7/13/2004	105083	1,430.00	19 1237 BUTTE PAINTING
1460.01	PAINT BY NUMBER	7/16/2004	105099	5,880.00	19 VANTAGE VILLA PAINTING
1460.01	JOHNSON SEAMLESS RAINGUTTERS	7/23/2004	105110	640.00	19 5600 EBB WAY RAINGUTTERS
1460.01	PIERCE FLOORING	7/23/2004	105119	533.60	19 42 RUSSELL PARK FLOORING
1460.01	PIERCE FLOORING	7/23/2004	105119	1,039.00	19 933 S 4TH #A FLOORING
1460.01	RUSSELL PUPPE DRYWALL & PAINTING	7/23/2004	105120	3,125.00	19 TOOLE AVE PAINTING
1460.01	VISION PAINTING	7/23/2004	105122	1,280.00	19 931 & 933 S 4TH PAINTING
1460.01	PIERCE FLOORING	7/28/2004	105134	2,990.00	19 STOCK CARPET
1460.01	UNITED BUILDING CENTER	7/28/2004	105140	1,127.50	19 933 S 4TH #A CEDAR SHINGLES
				<b>20,545.10</b>	
1460.00	A & B CONSTRUCTION	7/23/2004	105104	812.50	19 5611 HILLVIEW ROOFING
				<b>812.50</b>	
				<b>34,236.60</b>	



Acct#	Obligee	Date	Chk #	Requis	Req. #
1406.01	RECLASS WAGES & BENEFITS	8/31/2004		17,270.12 <b>17,270.12</b>	20 MHA
1460.01	RUSSELL PUPPE DRYWALL & PAINTING	8/6/2004	105178	3,093.75	20 TOOLE AVE PAINT PROJECT
1460.01	PIERCE FLOORING	8/6/2004	105175	915.67	20 931 S 4TH #D FLOORING
1460.01	PIERCE FLOORING	8/6/2004	105175	155.40	20 52 R.P. FLOORING
1460.01	PAINT BY NUMBER	8/6/2004	105173	7,276.50	20 VV PAINT PROJECT
1460.01	MONTANA DEPT OF REVENUE	8/6/2004	105171	31.25	20 TOOLE AVE PAINT PROJECT
1460.01	MONTANA DEPT OF REVENUE	8/6/2004	105171	73.50	20 VV PAINT PROJECT
1460.01	COLUMBIA PAINT COMPANY	8/6/2004	105154	296.51	20 4TH ST PAINT PROJECT
1460.01	PAINT BY NUMBER	8/13/2004	105215	16,008.30	20 VV PAINT PROJECT
1460.01	MONTANA DEPT OF REVENUE	8/13/2004	105210	161.70	20 VV PAINT PROJECT
1460.01	VISION PAINTING	8/27/2004	105269	1,584.00	20 4TH ST PAINT PROJECT
1460.01	MONTANA DEPT OF REVENUE	8/27/2004	105255	16.00	20 4TH ST PAINT PROJECT
1460.01	SELECT COUNTERTOP	8/27/2004	105261	400.00	20 712 CHARLO #4 COUNTERTOP
1460.01	MASTERCARD	8/27/2004	105253	601.70	20 4TH ST PAINT PROJECT
1460.01	PIERCE FLOORING	8/27/2004	105259	1,419.30	20 712 CHARLO #4 FLOORING
1460.01	PIERCE FLOORING	8/27/2004	105259	1,473.30	20 1024 WORDEN #1 FLOORING
1460.01	UNITED BUILDING CENTER	8/27/2004	105266	315.00	20 304 E SPRUCE COUNTERTOP
1460.01	UNITED BUILDING CENTER	8/27/2004	105266	(467.60)	20 4TH SHAKES RETURN
1460.01	UNITED BUILDING CENTER	8/27/2004	105266	485.00	20 1024 WORDEN #1 COUNTERTOP
				<b>33,839.28</b>	
1460.00	A & B CONSTRUCTION	8/6/2004	105145	2,437.50	20 5611 HILLVIEW ROOFING
1460.00	BIG SKY MECHANICAL, INC	8/20/2004	105232	3,808.28	20 TOOLE H2O HEATERS
1460.00	MONTANA DEPT OF REVENUE	8/20/2004	105239	38.47	20 TOOLE H2O HEATERS
				<b>6,284.25</b>	
				<b>57,393.65</b>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1406.01	RECLASS WAGES & BENEFITS	9/30/2004		19,729.88 <b>19,729.88</b>	21 MHA
1430.01	TOM STUCKEY, MAI, RM	9/30/2004	400658	1,750.00 <b>1,750.00</b>	21 RENT SURVEY
1460.01	MONTANA DEPT OF REVENUE	9/3/2004	105286	53.50	21 1% VISION/PUPPE PAINT
1460.01	PIERCE FLOORING	9/3/2004	105291	1,321.48	21 209 GRANDVIEW FLOORING
1460.01	RUSELL PUPPE DRYWALL & PAINTING	9/3/2004	105292	3,712.50	21 TOOLE AVE PROJECT
1460.01	VISION PAINTING	9/3/2004	105299	1,584.00	21 4TH ST PROJECT
1460.01	VISION PAINTING	9/10/2004	105342	1,900.80	21 4TH ST PROJECT
1460.01	MONTANA DEPT OF REVENUE	9/10/2004	105333	19.20	21 1% VISION PAINT
1460.01	PIERCE FLOORING	9/17/2004	105358	117.20	21 5611 HILLVIEW FLOORING
1460.01	PIERCE FLOORING	9/17/2004	105358	621.20	21 52 RP FLOORING
1460.01	PIERCE FLOORING	9/17/2004	105352	1,549.46	21 1320 BUTTE #1 FLOORING
1460.01	PIERCE FLOORING	9/17/2004	105352	1,314.36	21 8 RP FLOORING
1460.01	HOME INTERIORS, INC	9/27/2004	105374	1,893.00	21 931 S 4TH W #D CABINETS
1460.01	PIERCE FLOORING	9/27/2004	105381	716.66	21 1613 PHILLIPS #1 FLOORING
1460.01	PIERCE FLOORING	9/27/2004	105381	2,990.00	21 STOCK PURCHASE
1460.01	PIERCE FLOORING	9/27/2004	105381	2,990.00	21 STOCK PURCHASE
1460.01	PIERCE FLOORING	9/27/2004	105381	2,441.00	21 STOCK PURCHASE
1460.01	PIERCE FLOORING	9/27/2004	105381	2,990.00	21 STOCK PURCHASE
1460.01	SELECT COUNTERTOP	9/27/2004	105384	400.00	21 100 PULLMAN #2 COUNTERTOP
1460.01	UNITED BUILDING CENTER	9/27/2004	105388	140.00	21 304 SPRUCE CABINET INSTALL
1460.01	PIERCE FLOORING	9/29/2004	105398	1,423.00 <b>28,177.36</b>	21 100 PULLMAN #1 FLOORING
1475.00	BIG SKY TOPPERS & CUSTOM TRUCKS	9/27/2004		1,361.00 <b>1,361.00</b>	21 02 FORD RANGER TOPPER
				<b>51,018.24</b>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1460.01	SELECT COUNTERTOP	10/7/2004	105446	376.00	22 1613 PHILLIPS #1
1460.01	BOYCE LUMBER	10/7/2004	105413	3,177.36	22 28 & 36 RUSSELL PARK
				<b>3,553.36</b>	
				<b>3,553.36</b>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
				-	
1460.00	BIG SKY MECHANICAL INC	11/5/2004	105542	11,540.25	23 TOOLE SITE WATER HEATERS
1460.00	BIG SKY MECHANICAL INC	11/5/2004	105542	(115.40)	23 TOOLE SITE WATER HEATERS
1460.00	MONTANA DEPARTMENT OF REV	11/5/2004	105567	115.40	23 1% CONTRACTOR'S WITHHOLDING
				<b>11,540.25</b>	
1460.01	PIERCE FLOORING	11/19/2004	105625	468.26	23 VV UNIT #317 FLOORING INSTALLATION
				<b>468.26</b>	
				<b>12,008.51</b>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
				-	
1450.00	CARAS NURSERY & LANDSCAPING	1/27/2005	105869	4,700.00 <b>4,700.00</b>	24
				<b>4,700.00</b>	

VV LANDSCAPING

Acct#	Obligee	Date	Chk #	Requis	Req. #
				-	
1430.01	MAPPLAN ASSOCIATES INC	4/27/2005	106217	4,867.75	25 CONSULTING SERVICES

**4,867.75**

Acct#	Obligee	Date	Chk #	Requis	Req. #
				-	
1460.01	VISION PAINTING	5/6/2005	106261	1,069.20	26 2335 COTTAGE CT PAINTING
1460.01	MONTANA DEPARTMENT OF REVENUE	5/6/2005	106251	10.80	26 1% CONTRACTOR'S TAX
1460.01	VISION PAINTING	5/13/2005	106326	1,320.00	26 2335 COTTAGE CT PAINTING
1460.01	VISION PAINTING	5/13/2005	106326	580.00	26 2244 E SUMMITT PAINTING
1460.01	MONTANA DEPARTMENT OF REVENUE	5/13/2005	106313	19.00	26 1% CONTRACTOR'S TAX
1460.01	VISION PAINTING	5/20/2005	106349	717.75	26 2244 E SUMMITT PAINTING
1460.01	MONTANA DEPARTMENT OF REVENUE	5/20/2005	106337	7.25	26 1% CONTRACTOR'S TAX
1460.01	VISION PAINTING	5/26/2005	106372	560.00	26 5614 HILLVIEW PAINTING
1460.01	VISION PAINTING	5/26/2005	106372	1,573.45	26 2244 E SUMMITT PAINTING
1460.01	MONTANA DEPARTMENT OF REVENUE	5/26/2005	106363	21.55	26 1% CONTRACTOR'S TAX
				<b>5,879.00</b>	



Acct#	Obligee	Date	Chk #	Requis	Req. #
				-	
1460.01	Pierce Flooring		6606	\$ 2,760.00	27
1460.01	Home Interiors		6594	\$ 1,940.00	27

**4,700.00**



	A	B	C	D	E	F	G	H	I
1	<b>ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT</b>								
2	<b>Capital Fund Program</b>								
3	<b>Part II: Supporting Pages</b>								
4	<b>Missoula Housing Authority MT033</b>			Capital Fund Program Grant Number MT06-PO33-501-03			FFY of Grant Approval 2003		
5	Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
6					Original	Revised	Funds Obligated	Funds Expended	
7	HA-WIDE	Operations	1406		\$ 123,131.00	\$ 123,131.00	\$ 123,131.00	\$ 123,131.00	Completed
8									
9	HA-WIDE	Management Improvements	1408		\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	Completed
10									
11	HA-WIDE	Administration	1410		\$ 27,976.00	\$ 27,976.00	\$ 27,976.00	\$ 27,976.00	Completed
12									
13	003	Architect plans - accessible ramp	1430		\$ 35,000.00	\$ 1,000.00			In progress
14									
15	002	Repave/restripe parking lot	1450		\$ 4,500.00	\$ 20,400.00			In progress
16	002	Covered picnic structure	1450			\$ 3,000.00			In progress
17	003	Concrete and handrails	1450			\$ 4,500.00			In progress
18	009	Parking lot pavement	1450			\$ 2,200.00	\$ 2,200.00		In progress
19									
20	HA-WIDE	Dwelling Structures	1460		\$ 77,225.00	\$ 36,973.00	\$ 32,015.77	\$ 22,255.87	In progress
21	002	Smoke detectors & fire equip. upgrade	1460			\$ 4,500.00	\$ 998.05	\$ 998.05	In progress
22	003/Stoddard	Exterior Paint	1460	2		\$ 4,800.00	\$ 4,800.00	\$ 4,800.00	Completed
23	003/8th St	Exterior Paint	1460	1		\$ 2,300.00	\$ 2,300.00	\$ 2,300.00	Completed
24	011/003	Exterior Paint - Vista, Worden, Charlo	1460			\$ 10,170.00	\$ 10,170.00	\$ 2,070.07	In progress
25	011/Summitt	Exterior Paint	1460	1		\$ 2,900.00	\$ 2,900.00	\$ 2,900.00	Completed
26	011/4th Street	Kitchen cabinets	1460	4		\$ 12,000.00			
27	012/RP	Kitchen cabinets	1460	4		\$ 12,000.00			
28	014/Hillview	Exterior Paint	1460	1		\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	Completed
29	014/Cottage Ct	Exterior Paint	1460	2		\$ 4,800.00	\$ 4,800.00	\$ 4,800.00	Completed
30	014/RP	Kitchen cabs and counters	1460			\$ 2,479.00	\$ 2,479.00	\$ 2,479.00	Completed
31									
32									
33	HA-WIDE	Dwelling Equipment - Non-expendable	1465.1		\$ 7,080.00				
34	003	Refrigerators (3) & Ranges (5)	1465.1	8		\$ 3,592.00	\$ 1,300.00	\$ 1,300.00	In progress
35	011	Refrigerators (5)	1465.1	5		\$ 2,500.00			In progress

	A	B	C	D	E	F	G	H	I
1	<b>ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT</b>								
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3	<b>Part II: Supporting Pages</b>								
4	<b>Missoula Housing Authority MT033</b>			Capital Fund Program Grant Number MT06-PO33-501-03			FFY of Grant Approval 2003		
5	Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
36	012	Refrigerators (7)	1465.1	7		\$ 3,500.00			In progress
37	014	Refrigerators (2) & range hoods (3)	1465.1	5		\$ 1,332.00			In progress
38									
39	HA-WIDE	Nondwelling Equipment	1475		\$ 22,500.00	\$ 8,559.00	\$ 8,559.00	\$ 8,559.00	Completed
40									
41									
42									
43									
44		TOTAL CFP COST			\$ 327,412.00	\$ 327,412.00	\$ 256,428.82	\$ 236,368.99	
45									
46									

**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program Part I: Summary**

<b>Missoula Housing Authority MT033</b>	Capital Fund Program Grant Number MT06-PO33-501-03	FFY of Grant Approval: 2003
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Original Annual Statement   
  Reserve for Disasters/Emergencies   
  Revised Annual Statement (revision no.\_\_\_\_)

Performance and Evaluation Report for Period Ending: 7/11/2005   
  Final Performance and Evaluation Report

Line #	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CAP Funds				
2	1406 Operations	\$ 123,131.00	\$ 123,131.00	\$ 123,131.00	\$ 123,131.00
3	1408 Management Improvements	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
4	1410 Administration	\$ 27,976.00	\$ 27,976.00	\$ 27,976.00	\$ 27,976.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$ 35,000.00	\$ 1,000.00	\$ -	\$ -
8	1440 Site Acquisition			\$ -	
9	1450 Site Improvement	\$ 4,500.00	\$ 30,100.00	\$ 2,200.00	\$ -
10	1460 Dwelling Structures	\$ 77,225.00	\$ 95,722.00	\$ 63,262.82	\$ 45,402.99
11	1465.1 Dwelling Equipment - Nonexpendable	\$ 7,080.00	\$ 10,924.00	\$ 1,300.00	\$ 1,300.00
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	\$ 22,500.00	\$ 8,559.00	\$ 8,559.00	\$ 8,559.00
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2-20)	\$ 327,412.00	\$ 327,412.00	\$ 256,428.82	\$ 236,368.99
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance	\$ 15,000.00	\$ 7,500.00		
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conversation Measures				

2003 CFP											rev.	8/9/05	
Req. #	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	TOTAL	DATE	DRAWDOWN
	1406	1408	1410	1430	1450	1460	1465	1470	1475				
1	8,052.48										8,052.48	12/2/2003	8,052.48
2	19,763.16										19,763.16	1/5/2004	27,815.64
3	16,401.82										16,401.82	2/2/2004	44,217.46
4	14,934.21										14,934.21	3/2/2004	59,151.67
5	15,361.84										15,361.84	3/31/2004	74,513.51
6	22,124.47										22,124.47	4/30/2004	96,637.98
7	15,357.82										15,357.82	6/2/2004	111,995.80
8	11,135.20		5,742.14								16,877.34	7/2/2004	128,873.14
9			17,179.32								17,179.32	8/3/2004	146,052.46
10						3,360.00					3,360.00	10/4/2004	149,412.46
11		26,356.46	5,054.54			9,130.00				8,559.00	49,100.00	11/3/2004	198,512.46
12		3,643.54				5,953.09					9,596.63	12/3/2004	208,109.09
13						9,404.53					9,404.53	1/4/2005	217,513.62
14							1,300.00				1,300.00	2/1/2005	218,813.62
15						663.20					663.20	3/3/2005	219,476.82
16						12,162.67					12,162.67	4/4/2005	231,639.49
17						426.00					426.00	5/2/2005	232,065.49
18						4,303.50					4,303.50	7/8/2005	236,368.99
SPENT	123,131.00	30,000.00	27,976.00	-	-	45,402.99	1,300.00			8,559.00	236,368.99	FY05	86,956.53
Budget 6/3/2005	123,131.00	30,000.00	27,976.00	1,000.00	4,500.00	121,322.00	10,924.00	-		8,559.00	327,412.00		
Remaining	-	-	-	1,000.00	4,500.00	75,919.01	9,624.00			-	91,043.01		
Soft	\$ 123,131.00		\$ 27,976.00	\$ -	\$ -	\$ 45,402.99	\$ 1,300.00				\$ 197,809.99		
Capitalized		\$ 30,000.00								\$ 8,559.00	\$ 38,559.00		
											\$ 236,368.99		
FY05	\$ -	\$ 30,000.00	\$ 5,054.54	\$ -	\$ -	\$ 42,042.99	\$ 1,300.00	\$ -	\$ 8,559.00		\$ 86,956.53		

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	11/30/2003		8,052.48	1
			Total	<u>8,052.48</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	12/31/2004		19,763.16	2
			Total	<u>19,763.16</u>	



<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	1/31/2004		16,401.82	3
			Total	<u>16,401.82</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	2/29/2004		14,934.21	4
			Total	<u>14,934.21</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	3/31/2004		15,361.84	5
			Total	<u>15,361.84</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	4/30/2004		22,124.47	6
			Total	<u>22,124.47</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	5/31/2004		15,357.82	7
			Total	<u>15,357.82</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	Rcls Wages & Benefits	6/29/2004		11,135.20	8
1410.01	Rcls Wages & Benefits	6/29/2004		5,742.14	8
			Total	<u>16,877.34</u>	

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1410.01	Rcls Wages & Benefits	6/29/2004		17,179.32	8
			Total	<u>17,179.32</u>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.01	MONTANA DEPARTMENT OF REVENUE	9/29/2004	105394	12.00	10 1% VISION PAINT
1460.01	VISION PAINTING	9/29/2004	105402	1,188.00	10 STODDARD/8TH ST/ SUMMIT CONTRACT
1460.01	MONTANA DEPARTMENT OF REVENUE	9/17/2004	105355	21.6	10 1% VISION PAINT
1460.01	VISION PAINTING	9/17/2004	105367	2,138.40	10 STODDARD/8TH ST/ SUMMIT CONTRACT
				<u>3,360.00</u>	



Acct#	Obligee	Date	Chk #	Requis	Req. #
1408.00	COMPUTER E.R.	9/3/2004	105281	17,290.00	11 OFFICE COMPUTER UPGRADE
1408.00	MASTERCARD	10/7/2004	105429	4,705.70	11 SOFTWARE UPGRADE
1408.00	COMPUTER E.R.	10/7/2004	105417	4,360.76	11 OFFICE COMPUTER UPGRADE
				<u>26,356.46</u>	
1410.01	Rcls Wages & Benefits	10/31/2004		5,054.54	11
				<u>5,054.54</u>	
1460.01	MONTANA DEPARTMENT OF REVENUE	10/15/2004	105485	37.40	11 VISION PAINT 1% WITHHOLDING
1460.01	VISION PAINTING	10/15/2004	105497	3,702.60	11 STODDARD/8TH ST/ SUMMIT CONTRACT
1460.01	MONTANA DEPARTMENT OF REVENUE	10/22/2004	105511	24.00	11 VISION PAINT 1% WITHHOLDING
1460.01	VISION PAINTING	10/22/2004	105520	2,376.00	11 STODDARD/8TH ST/ SUMMIT CONTRACT
1460.01	PIERCE FLOORING	10/28/2004	105534	2,990.00	11 STOCK CARPET
				<u>9,130.00</u>	
1475.00	EIDE MOTORS, INC	10/27/2004	105521	8,559.00	11 2000 DODGE VAN
				<u>8,559.00</u>	
				<u><u>49,100.00</u></u>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1408.00	COMPUTER E.R.	11/5/2004	105549	3,643.54	12 OFFICE COMPUTER UPGRADE
				<u>3,643.54</u>	
1460.01	HOME INTERIORS, INC	11/5/2004	105559	2,479.00	12 52 RUSSELL PARK CABINETS
1460.01	MONTANA ACE HARDWARE	11/5/2004	105565	28.00	12 VV SMOKE ALARM UPGRADE
1460.01	PIERCE FLOORING	11/19/2005	105625	111.44	12 VV #317 FLOORING INSTALLATION
1460.01	PIERCE FLOORING	11/19/2005	105625	1,175.50	12 315 E SPRUCE FLOORING INSTALLATION
1460.01	PIERCE FLOORING	11/19/2005	105625	1,285.10	12 211 GRANDVIEW FLOORING INSTALLATION
1460.01	SELECT COUNTERTOP	11/19/2004	105632	330.00	12 VV #317 COUNTERTOPS
1460.01	HOME DEPOT CREDIT SERVICES	11/24/2004	105643	544.05	12 VV SMOKE ALARM UPGRADE
				<u>5,953.09</u>	
				<u><b>9,596.63</b></u>	



Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.01	PIERCE FLOORING	12/3/2004	105672	1,753.53	13 102 PULLMAN #2 FLOORING INSTALLATION
1460.01	TEMP-RIGHT SERVICE INC	12/10/2004	105732	397.00	13 309 E SPRUCE BATH FAN & INSTALLATION
1460.01	SELECT COUNTERTOP	12/17/2004	105749	400.00	13 712 CHARLO #8 COUNTERTOP
1460.01	PIERCE FLOORING	12/17/2004	105746	2,441.00	13 STOCK VINYL FLOORING
1460.01	PIERCE FLOORING	12/23/2004	105765	2,990.00	13 STOCK CARPETING
1460.01	PIERCE FLOORING	12/23/2004	105765	1,423.00	13 712 CHARLO #8 FLOORING INSTALLATION
				<u>9,404.53</u>	
				<u><b>9,404.53</b></u>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1465.01	VANN'S APPLIANCES	1/27/2005	105885	<u>1,300.00</u>	14 STOCK APPLIANCE PURCHASE
				<u><b>1,300.00</b></u>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.01	SELECT COUNTERTOP	2/25/2005	105984	400.00	15 811 STODDARD #1 COUNTERTOP
1460.01	PIERCE FLOORING	2/25/2005	105976	263.20	15 811 STODDARD #1 FLOORING
				<u>663.20</u>	
				<u><b>663.20</b></u>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.01	PIERCE FLOORING	3/4/2005	106015	2,990.00	16 CARPET STOCK
1460.01	PIERCE FLOORING	3/4/2005	106015	2,990.00	16 CARPET STOCK
1460.01	PIERCE FLOORING	3/4/2005	106015	2,441.00	16 VINYL STOCK
1460.01	PIERCE FLOORING	3/11/2005	106057	527.20	16 1028 TOOLE #1 INSTALL
1460.01	PIERCE FLOORING	3/11/2005	106057	1,046.47	16 1028 TOOLE #1 FLOORING
1460.01	SELECT COUNTERTOP	3/18/2005	106075	320.00	16 VV #209 COUNTERTOP
1460.01	SELECT COUNTERTOP	3/18/2005	106075	400.00	16 712 CHARLO #6 COUNTERTOP
1460.01	PIERCE FLOORING	3/24/2005	106090	1,448.00	16 712 CHARLO #6 FLOORING
				<b>12,162.67</b>	
				<b><u>12,162.67</u></b>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.01	PIERCE FLOORING	4/27/2005	106221	426.00	17 VV ALARM SYSTEM UPGRADE

426.00

**426.00**



Acct#	Obligee	Date	Chk #	Requis	Req. #
1460.01	MONTANA DEPARTMENT OF REVENUE	6/10/2005	106434	7.00	18
1460.01	VISION PAINTING	6/10/2005	106446	674.00	18
1460.01	MONTANA DEPARTMENT OF REVENUE	6/17/2005	106455	7.00	18
1460.01	VISION PAINTING	6/17/2005	106464	693.00	18
1460.01	MONTANA DEPARTMENT OF REVENUE	6/24/2005	106480	20.83	18
1460.01	PAINT BY NUMBER	6/24/2005	106484	477.67	18
1460.01	VISION PAINTING	6/24/2005	106488	1,584.00	18
1460.01	MONTANA DEPARTMENT OF REVENUE	6/29/2005	106511	8.40	18
1460.01	VISION PAINTING	6/29/2005	106519	831.60	18
				<u>4,303.50</u>	
				<u><b>4,303.50</b></u>	

As of 3/3/04 - Based on actual spending

Line	Project/Item	Yr	Budget	Obligated	Spent	Yet to Obligated 2003	
1	<b>Line Item 1406 - Operations</b>						
2	1406	03	\$123,131.00	\$59,151.67	\$59,151.67		
4	1406		\$123,131.00	\$59,151.67	\$59,151.67	\$63,979.33	
5	<b>Line Item 1408 - Mgmt Imp</b>						
6	1408	03	\$30,000.00	\$0.00	\$0.00		
8	1408		Total 03	\$30,000.00	\$0.00	\$0.00	\$30,000.00
9	<b>Line Item 1410 - Admin</b>						
11	1410	03	\$27,976.00	\$0.00	\$0.00		
12	1410		\$27,976.00	\$0.00	\$0.00	\$27,976.00	
13	<b>Line Item 1430 - Fees &amp; Costs</b>						
14	1430	03	\$35,000.00	\$0.00	\$0.00		
19			Total 03	\$35,000.00	\$0.00	\$0.00	\$35,000.00
20							
26							
27	<b>Line Item 1440 - Site Acquisition</b>						
28	1440		\$0.00	\$0.00	\$0.00	\$0.00	
29							
30							
31	<b>Line Item 1450 - Site Improvement</b>						
32	1450	03	\$4,500.00	\$0.00	\$0.00		
34			Total 03	\$4,500.00	\$0.00	\$0.00	\$4,500.00
35							
40	<b>Line Item 1460 - Dwelling Structures</b>						
45	1460	03	Mod. Turnover (incl Flooring)	\$77,225.00	\$0.00	\$0.00	
53			Total 03	\$77,225.00	\$0.00	\$0.00	\$77,225.00
54							
55	<b>Line Item 1465.1 - Dwelling Equipment</b>						
56	1465	03	MHA Appliances	\$7,080.00	\$0.00	\$0.00	
57	1465		Total 03	\$7,080.00	\$0.00	\$0.00	\$7,080.00
58							
59							
60	<b>Line Item 1470 -Non -Dwelling Structures</b>						

As of 3/3/04 - Based on actual spending

Line	Project/Item	Yr	Budget	Obligated	Spent	Yet to Obligated 2003
61	1470	03	\$0.00	\$0.00	\$0.00	
		Total 03	\$0.00	\$0.00	\$0.00	\$0.00
62						
63	<b>Line Item 1475 - Non-Dwelling Equipment</b>					
70		03	\$22,500.00	\$0.00	\$0.00	
71		Total 03	\$22,500.00	\$0.00	\$0.00	\$22,500.00
72						
88	2003		<u>Budget</u>	<u>Obligated</u>	<u>Spent</u>	
89	Total 1406		\$123,131.00	\$59,151.67	\$59,151.67	
90	Total 1408		\$30,000.00	\$0.00	\$0.00	
91	Total 1410		\$27,976.00	\$0.00	\$0.00	
92	Total 1430		\$35,000.00	\$0.00	\$0.00	
93	Total 1450		\$4,500.00	\$0.00	\$0.00	
94	Total 1460		\$77,225.00	\$0.00	\$0.00	
95	Total 1465		\$7,080.00	\$0.00	\$0.00	
96	Total 1470		\$0.00	\$0.00	\$0.00	
97	Total 1475		\$22,500.00	\$0.00	\$0.00	
98			\$327,412.00	\$59,151.67	\$59,151.67	\$268,260.33
99		Total Grant	\$327,412.00			
100		Difference	\$0.00			\$0.00
						<u>\$268,260.33</u>

BUDGET/PROGRESS REPORT  
2003 CAPITAL FUND

Through February 2004

DEVELOPMENT ACCT	BUDGET	OBLIGATED	% OBLGTD	EXPENDED	BDGT BAL	% SPENT
1406 Operations	\$ 123,131.00	\$ 59,151.67	0.00%	\$ 59,151.67	\$ 63,979.33	48.04%
1408 Mgmt Improvements	\$ 30,000.00	\$ -	0.00%	\$ -	\$ 30,000.00	0.00%
1410 Administration	\$ 27,976.00	\$ -	0.00%	\$ -	\$ 27,976.00	0.00%
1415 Liquidated Damages	\$ -	\$ -	0.00%	\$ -	\$ -	
1430 Fees & Costs	\$ 35,000.00	\$ -	0.00%	\$ -	\$ 35,000.00	0.00%
1440 Site Acquisition	\$ -	\$ -	0.00%	\$ -	\$ -	
1450 Site Improvement	\$ 4,500.00	\$ -	0.00%	\$ -	\$ 4,500.00	0.00%
1460 Dwelling Struc.	\$ 77,225.00	\$ -	0.00%	\$ -	\$ 77,225.00	0.00%
1465 Dwelling Equip.	\$ 7,080.00	\$ -	0.00%	\$ -	\$ 7,080.00	0.00%
1470 Nondwell Struc.	\$ -	\$ -	0.00%	\$ -	\$ -	
1475 Nondwell Equip.	\$ 22,500.00	\$ -	0.00%	\$ -	\$ 22,500.00	0.00%
1485 Demolition	\$ -	\$ -	0.00%	\$ -	\$ -	
1495 Relocation Cost	\$ -	\$ -	0.00%	\$ -	\$ -	
TOTAL	\$ 327,412.00	\$ 59,151.67		\$ 59,151.67	\$ 268,260.33	18.07%



	A	B	C	D	E	F	G	H	I
1	<b>ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT</b>								
2	<b>Capital Fund Program</b>								
3	<b>Part II: Supporting Pages</b>								
4	<b>Missoula Housing Authority MT033</b>			Capital Fund Program Grant Number MT06-RO33-501-03			FFY of Grant Approval 2003		
5	Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
6					Original	Revised	Funds Obligated	Funds Expended	
7	HA-WIDE	Operations	1406		\$ -				
8									
9	HA-WIDE	Administration	1410		\$ -				
10									
11	HA-WIDE	Fees and Costs	1430		\$ -				
12									
13	HA-WIDE	Site Improvement	1450		\$ -				
14									
15	HA-WIDE	Dwelling Structures	1460		\$ -				
16									
17	HA-WIDE	Dwelling Equipment	1465.1		\$ -				
18									
19		Development Activity	1499		\$ 83,582.00				
20									
21									
22									
23		TOTAL CFP COST			\$ 83,582.00	\$ -	\$ -	\$ -	

**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program Part I: Summary**

<b>Missoula Housing Authority MT033</b>	Capital Fund Program Grant Number MT06-RO33-501-03	FFY of Grant Approval: 2003
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Original Annual Statement   
 Reserve for Disasters/Emergencies   
 Revised Annual Statement (revision no.\_\_\_\_\_)

Performance and Evaluation Report for Period Ending: 7/11/2005   
 Final Performance and Evaluation Report

Line #	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CAP 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	\$ -			
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 Costs	\$ -			
18	1499 Development Activities	\$ 83,582.00			
19	1501 Collateralization or Debt Service	\$ -			
20	1502 Contingency	\$ -			
21	Amount of Annual Grant: (sum of lines 2-20)	\$ 83,582.00	\$ -	\$ -	\$ -
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conversation Measures				

2004 CFP

Req. #	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	TOTAL	DATE	REQUESTED DRAWDOWN			
1	-										0.00					
2											0.00					
3											0.00					
4											0.00					
5											0.00					
6											0.00					
7											0.00					
8											0.00					
SPENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Difference
Original Budget										-	-					
Remaining	-	-	-	-	-	-	-	-	-	-	-					
Soft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Capitalized											\$ -					
	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					



**Acct#**

**Obligee**

**Date**

**Chk #**

**Requis**

**Req. #**

1





**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program**

**Part II: Supporting Pages**

**Missoula Housing Authority MT033**

Capital Fund Program Grant Number  
MT06PO3350203

FFY of Grant Approval 2003

Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
HA-WIDE	Initial Budget	0110		\$ 57,337.00	\$ -			
HA-WIDE	Operations	1406		\$ -	\$ -			
HA-WIDE	Management Improvements	1408		\$ 16,382.00	\$ -			
HA-WIDE	Administration	1410		\$ 8,191.00	\$ -			
HA-WIDE	Fees and Costs	1430		\$ -	\$ -			
HA-WIDE	Site Improvement	1450		\$ -	\$ -			
HA-WIDE	Dwelling Structures - Mod at Turnover	1460		\$ -	\$ 1,439.20	\$ 1,439.20	\$ 1,439.20	In Progress
001/1028	Front Steps & Handrail	1460			\$ 2,160.00			In Progress
002	Patio Door Replacement	1460			\$ 55,000.00			In Progress
002	Window Replacement	1460			\$ 20,000.00			In Progress
001/4th St.	Kitchen Counters	1460			\$ 2,000.00			In Progress
012/RP	Kitchen Counters	1460			\$ 1,310.80			In Progress
HA-WIDE	Dwelling Equipment - Non-expendable	1465.1		\$ -	\$ -			
HA-WIDE	Nondwelling Equipment	1475		\$ -	\$ -			
	<b>TOTAL CFP COST</b>			\$ 81,910.00	\$ 81,910.00	\$ 1,439.20	\$ 1,439.20	

**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program Part I: Summary**

<b>Missoula Housing Authority MT033</b>	Capital Fund Program Grant Number MT06PO3350203	FFY of Grant Approval: 2003
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Original Annual Statement   
  Reserve for Disasters/Emergencies   
  Revised Annual Statement (revision no.\_\_\_\_)

Performance and Evaluation Report for Period Ending: 7/11/2005   
  Final Performance and Evaluation Report

Line #	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Orginal	Revised	Obligated	Expended
1	Total Non-CAP Funds				
2	0110 Initial Budget	\$ 57,337.00			
3	1406 Operations				
3	1408 Management Improvements	\$ 16,382.00			
4	1410 Administration	\$ 8,191.00			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures		\$ 81,910.00	\$ 1,439.20	\$ 1,439.20
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 Costs				
18	1499 Development Activities				
19	1501 Collaterization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2-20)	\$ 81,910.00	\$ 81,910.00	\$ 1,439.20	\$ 1,439.20
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conversation Measures				

2003 CFP

Req. #	Acct# 1406	Acct# 1408	Acct# 1410	Acct# 1430	Acct# 1450	Acct# 1460	Acct# 1465	Acct# 1470	Acct# 1475	TOTAL	DATE	REQUESTED DRAWDOWN
1						1,439.20				1,439.20	5/2/2005	
2										0.00		
3										0.00		
4										0.00		
5										0.00		
SPENT	-	-	-	-	-	1,439.20	-	-	-	1,439.20		- 1,439.20 Difference
Budget 6/3/2005					3,130.00	59,160.00	14,620.00	-	5,000.00	81,910.00		
Remaining	-	-	-	-	3,130.00	57,720.80	14,620.00		5,000.00	80,470.80		
Soft Capitalized	\$ -					\$ 1,439.20				\$ -		
	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -		\$ -			

Acct#	Obligee	Date	Chk #	Requis	Comments	Req. #
1460.01	PIERCE FLOORING	4/8/2005	106155	277.20	43 RP FLOOR INSTALL	1
1460.01	PIERCE FLOORING	4/15/2005	106190	1,162.00	192 GRANDVIEW FLOOR INSTALL	1
				Total	<u><u>1,439.20</u></u>	

As of 3/3/04 - Based on actual spending

Line	Project/Item	Yr	Budget	Obligated	Spent	Yet to Obligated 2003
1	Line Item 1406 - Operations					
2						
3						
4	Line Item 1408 - Mgmt Imp					
5						
6						
7	Line Item 1410 - Admin					
8						
9						
10	Line Item 1430 - Fees & Costs					
11						
12						
26	Line Item 1440 - Site Acquisition					
27	1440		\$0.00	\$0.00	\$0.00	\$0.00
28						
29						
30	Line Item 1450 - Site Improvement					
31	1450	03	\$16,910.00	\$0.00	\$0.00	
32		Total 03	\$16,910.00	\$0.00	\$0.00	\$16,910.00
34						
35	Line Item 1460 - Dwelling Structures					
40	1460 Mod. Turnover (incl Flooring)	03	\$65,000.00	\$7,690.50	\$2,057.45	
45		Total 03	\$65,000.00	\$7,690.50	\$2,057.45	\$57,309.50
53						
54	Line Item 1465.1 - Dwelling Equipment					
55	1465 MHA Appliances	03	\$0.00	\$509.00	\$0.00	
56	1465	Total 03	\$0.00	\$509.00	\$0.00	(\$509.00)
57						

As of 3/3/04 - Based on actual spending

Line	Project/Item	Yr	Budget	Obligated	Spent	Yet to Obligated 2003
58						
59	<b>Line Item 1470 -Non -Dwelling Structures</b>					
60	1470	03	\$0.00	\$0.00	\$0.00	
61	Total 03		\$0.00	\$0.00	\$0.00	\$0.00
62	<b>Line Item 1475 - Non-Dwelling Equipment</b>					
63		03		\$0.00	\$0.00	
70	Total 03			\$0.00	\$0.00	\$0.00
71						
72	2003		<u>Budget</u>	<u>Obligated</u>	<u>Spent</u>	
88	Total 1406		\$0.00	\$0.00	\$0.00	
89	Total 1408		\$0.00	\$0.00	\$0.00	
90	Total 1410		\$0.00	\$0.00	\$0.00	
92	Total 1450		\$16,910.00	\$0.00	\$0.00	
93	Total 1460		\$65,000.00	\$7,690.50	\$2,057.45	
94	Total 1465		\$0.00	\$509.00	\$0.00	
95	Total 1470		\$0.00	\$0.00	\$0.00	
96	Total 1475		\$0.00	\$0.00	\$0.00	
97			\$81,910.00	\$8,199.50	\$2,057.45	\$73,710.50
98	Total Grant		\$81,910.00			
99	Difference		\$0.00			\$0.00
100						<u>\$73,710.50</u>



BUDGET/PROGRESS REPORT  
 2003 EXTRA CAPITAL FUND

DEVELOPMENT ACCT	BUDGET	OBLIGATED	% OBLGTD	EXPENDED	BDGT BAL	% SPENT
1406 Operations			0.00%		\$ -	
1408 Mgmt Improvements		\$ -	0.00%	\$ -	\$ -	
1410 Administration		\$ -	0.00%	\$ -	\$ -	
1415 Liquidated Damages		\$ -	0.00%	\$ -	\$ -	
1430 Fees & Costs		\$ -	0.00%	\$ -	\$ -	
1440 Site Acquisition		\$ -	0.00%	\$ -	\$ -	
1450 Site Improvement	\$ 16,910.00	\$ -	0.00%	\$ -	\$ 16,910.00	
1460 Dwelling Struc.	\$ 65,000.00	\$ -	0.00%	\$ -	\$ 65,000.00	
1465 Dwelling Equip.		\$ -	0.00%	\$ -	\$ -	
1470 Nondwell Struc.		\$ -	0.00%	\$ -	\$ -	
1475 Nondwell Equip.		\$ -	0.00%	\$ -	\$ -	
1485 Demolition		\$ -	0.00%	\$ -	\$ -	
1495 Relocation Cost		\$ -	0.00%	\$ -	\$ -	
TOTAL	\$ 81,910.00	\$ -		\$ -	\$ 81,910.00	



**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program**

**Part II: Supporting Pages**

**Missoula Housing Authority MT033**

Capital Fund Program Grant Number  
MT06-PO33-501-04

FFY of Grant Approval 2004

Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
HA-WIDE	Operations	1406		\$ 110,000.00	\$ 110,000.00	\$ 110,000.00	\$ 110,000.00	In Progress
HA-WIDE	Management Improvements	1408		\$ -	\$ -			
HA-WIDE	Administration	1410		\$ 30,000.00	\$ 30,000.00	\$ 2,047.35	\$ 2,047.35	In Progress
HA-WIDE	Fees and Costs	1430		\$ 10,000.00	\$ 4,000.00			
002/VV	Accessible Sidewalk Engineer	1430			\$ 2,400.00			
HA-WIDE	Site Improvement	1450		\$ 28,153.00	\$ -			
003/1237 Butte	Fence replacement	1450		\$ 1,500.00	\$ 1,500.00			
003/Charlo	Landscaping	1450		\$ 5,000.00	\$ 5,000.00			
003/8th St	Landscaping/sprinklers	1450		\$ 2,500.00	\$ 2,500.00			
009/Toole	Handrails & landscaping	1450		\$ 8,000.00	\$ 23,000.00			
011/4th St.	Parking lot tear-out & drainage	1450		\$ -	\$ 24,000.00			
012/Russell Pk	Sprinklers	1450		\$ 4,600.00	\$ 4,600.00			
018	Seal coat driveways	1450		\$ 2,200.00	\$ 2,200.00			
HA-WIDE	Dwelling Structure	1460		\$ 22,900.00	\$ -			
001/4th St.	Modernization at Turnover	1460		\$ 4,600.00	\$4,600.00			
001/Spruce	Window replacement	1460		\$ 4,000.00	\$4,000.00			
001	Modernization at Turnover	1460		\$ 9,900.00	\$6,500.00			
003	Modernization at Turnover	1460		\$ 30,225.00	\$20,786.00			
003	Storm doors	1460		\$ -	\$9,300.00			
003	Accessible Ramp	1460		\$ -	\$7,500.00			
009	Modernization at Turnover	1460		\$ 4,473.00	\$ 4,473.00			
011	Window replacement	1460		\$ 20,815.00	\$ 20,815.00			
012	Modernization at Turnover	1460		\$ 29,270.00	\$ 21,770.00			
012	Kitchen cabinets and counters	1460		\$ -	\$ 19,572.00			
014	Modernization	1460		\$ 14,037.00	\$ 14,037.00			
018	Exterior painting	1460		\$ 7,500.00	\$ 7,500.00			

**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program**

**Part II: Supporting Pages**

**Missoula Housing Authority MT033**

Capital Fund Program Grant Number  
MT06-PO33-501-04

FFY of Grant Approval 2004

Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
HA-WIDE	Office copier	1465.1		\$ -	\$ 14,620.00			
003	Appliances	1465.1		\$ 2,080.00	\$ 2,080.00			
HA-WIDE	Nondwelling Equipment	1475		\$ 20,000.00	\$ -			
HA-WIDE	4 Wheel w/blade	1475		\$ -	\$ 5,000.00			
	TOTAL CFP COST			\$ 371,753.00	\$ 371,753.00	\$ 112,047.35	\$ 112,047.35	

ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT					
Capital Fund Program Part I: Summary					
Missoula Housing Authority MT033			Capital Fund Program Grant Number MT06-PO33-501-04		FFY of Grant Approval: 2004
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no. ____) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: <u>7/11/2005</u> <input type="checkbox"/> Final Performance and Evaluation Report					
Line #	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CAP Funds				
2	1406 Operations	\$ 110,000.00	\$ 110,000.00	\$ 110,000.00	\$ 110,000.00
3	1408 Management Improvements	\$ -	\$ -	\$ -	\$ -
4	1410 Administration	\$ 30,000.00	\$ 30,000.00	\$ 2,047.35	\$ 2,047.35
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$ 10,000.00	\$ 6,400.00		
8	1440 Site Acquisition				
9	1450 Site Improvement	\$ 51,953.00	\$ 62,800.00		
10	1460 Dwelling Structures	\$ 147,720.00	\$ 140,853.00		
11	1465.1 Dwelling Equipment - Nonexpendable	\$ 2,080.00	\$ 16,700.00		
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	\$ 20,000.00	\$ 5,000.00		
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2-20)	\$ 371,753.00	\$ 371,753.00	\$ 112,047.35	\$ 112,047.35
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conversation Measures				

2004 CFP											TOTAL	DATE	REQUESTED
Req. #	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#	Acct#			
	1406	1408	1410	1430	1450	1460	1465	1470	1475				
1	8,539.13										8,539.13	10/4/2004	8,539.13
2	12,644.01										12,644.01	11/3/2004	21,183.14
3	17,588.90		2,047.35								19,636.25	12/3/2004	40,819.39
4	17,573.09										17,573.09	1/4/2005	58,392.48
5	18,043.47										18,043.47	2/1/2005	76,435.95
6	17,492.78										17,492.78	3/3/2005	93,928.73
7	18,118.62										18,118.62	7/8/2005	112,047.35
8													
SPENT	110,000.00	-	2,047.35	-	-	-	-	-	-	-	112,047.35	FY05	103,508.22
Orginal Budget	110,000.00	-	30,000.00	10,000.00	35,200.00	139,720.00	2,080.00	-	-	-	327,000.00		
Remaining	-	-	27,952.65	10,000.00	35,200.00	139,720.00	2,080.00	-	-	-	214,952.65		
Soft	\$ 110,000.00	\$ -	\$ 2,047.35	\$ -	\$ -						\$ 112,047.35		
Capitalized											\$ -		
											\$ 112,047.35		
FY05	\$ 101,460.87	\$ -	\$ 2,047.35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,508.22		

Acct#	Obligee	Date	Chk #	Requis	Req. #
1406.01	RECLASS WAGES & BENEFITS	9/30/2004	MHA	8,539.13	1
				<u><b>8,539.13</b></u>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1406.01	RECLASS WAGES & BENEFITS	10/31/2004	MHA	12,644.01	2
				<u>12,644.01</u>	



Acct#	Obligee	Date	Chk #	Requis	Req. #
1406.01	RECLASS WAGES & BENEFITS	11/30/2004	MHA	17,588.90 <b>17,588.90</b>	3
1410.01	COMPUTER ER, INC	11/5/2004	105549	110.21	3 COMPUTER SYSTEM UPGRADE
1410.01	COMPUTER ER, INC	11/5/2004	105549	617.14	3 SOFTWARE UPGRADE
1410.01	COMPUTER ER, INC	11/16/2004	105600	340.00	3 MEMORY UPGRADE
1410.01	COMPUTER ER, INC	11/24/2004	105641	980.00	3 COMPUTER SYSTEM UPGRADE
				<b>2,047.35</b>	
				<b>19,636.25</b>	

Acct#	Obligee	Date	Chk #	Requis	Req. #
1406.01	RECLASS WAGES & BENEFITS	12/31/2004	MHA	17,573.09 <b>17,573.09</b>	4

**17,573.09**

Acct#	Obligee	Date	Chk #	Requis	Req. #
1406.01	RECLASS WAGES & BENEFITS	1/31/2005	MHA	18,043.47 <b>18,043.47</b>	5

**18,043.47**

Acct#	Obligee	Date	Chk #	Requis	Req. #
1406.01	RECLASS WAGES & BENEFITS	2/28/2005	MHA	17,492.78	6
				<b>17,492.78</b>	

**17,492.78**

<b>Acct#</b>	<b>Obligee</b>	<b>Date</b>	<b>Chk #</b>	<b>Requis</b>	<b>Req. #</b>
1406.01	RECLASS WAGES & BENEFITS	6/30/2005	MHA	18,118.62 <b>18,118.62</b>	7

**18,118.62**



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1	<b>ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT</b>								
2	<b>Capital Fund Program</b>								
3	<b>Part II: Supporting Pages</b>								
4	<b>Missoula Housing Authority MT033</b>			Capital Fund Program Grant Number MT06-RO33-501-04			FFY of Grant Approval 2004		
5	Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
6					Original	Revised	Funds Obligated	Funds Expended	
7	HA-WIDE	Operations	1406		\$ -				
8									
9	HA-WIDE	Administration	1410		\$ -				
10									
11	HA-WIDE	Fees and Costs	1430		\$ -				
12									
13	HA-WIDE	Site Improvement	1450		\$ -				
14									
15	HA-WIDE	Dwelling Structures	1460		\$ -				
16									
17	HA-WIDE	Dwelling Equipment	1465.1		\$ -				
18									
19		Development Activity	1499		\$ 104,225.00				
20									
21									
22									
23		TOTAL CFP COST			\$ 104,225.00	\$ -	\$ -	\$ -	

**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program Part I: Summary**

<b>Missoula Housing Authority MT033</b>	Capital Fund Program Grant Number MT06-RO33-501-04	FFY of Grant Approval: 2004
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Original Annual Statement   
  Reserve for Disasters/Emergencies   
  Revised Annual Statement (revision no.\_\_\_\_\_)

Performance and Evaluation Report for Period Ending: 7/11/2005   
  Final Performance and Evaluation Report

Line #	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CAP 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	\$ -			
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 Costs	\$ -			
18	1499 Development Activities	\$ 104,225.00			
19	1501 Collateralization or Debt Service	\$ -			
20	1502 Contingency	\$ -			
21	Amount of Annual Grant: (sum of lines 2-20)	\$ 104,225.00	\$ -	\$ -	\$ -
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conversation Measures				



2004 CFP

Req. #	Acct# 1406	Acct# 1408	Acct# 1410	Acct# 1430	Acct# 1450	Acct# 1460	Acct# 1465	Acct# 1470	Acct# 1475	TOTAL	DATE	REQUESTED DRAWDOWN
1	-									0.00		
2										0.00		
3										0.00		
4										0.00		
5										0.00		
6										0.00		
7										0.00		
8										0.00		
SPENT	-	-	-	-	-	-	-	-	-	-		-
Original Budget								-		-		-
Remaining	-	-	-	-	-	-	-	-	-	-		-
Soft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Capitalized										\$ -		\$ -
	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -

- Difference

**Acct#**

**Obligee**

**Date**

**Chk #**

**Requis**

**Req. #**

1





	A	B	C	D	E	F	G	H	I
1	<b>ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT</b>								
2	<b>Capital Fund Program</b>								
3	<b>Part II: Supporting Pages</b>								
4	<b>Missoula Housing Authority MT033</b>			Capital Fund Program Grant Number MT06-PO33-501-05			FFY of Grant Approval 2005		
5	Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
6					Original	Revised	Funds Obligated	Funds Expended	
7	HA-WIDE	Operations	1406		\$ 110,000.00				
8									
9	HA-WIDE	Administration	1410		\$ 30,000.00				
10									
11	HA-WIDE	Fees and Costs	1430		\$ 10,000.00				
12									
13	HA-WIDE	Site Improvements	1450		\$ 35,000.00				
14									
15	HA-WIDE	Dwelling Structures	1460		\$ 120,000.00				
16									
17	HA-WIDE	Dwelling Equipment	1465.1		\$ 2,000.00				
18									
19	HA-WIDE	Relocation Costs	1495.1		\$ 20,000.00				
20									
21		TOTAL CFP COST			\$ 327,000.00	\$ -	\$ -	\$ -	

**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program Part I: Summary**

<b>Missoula Housing Authority MT033</b>	Capital Fund Program Grant Number MT06-PO33-501-05	FFY of Grant Approval: 2005
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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 #	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CAP Funds				
2	1406 Operations	\$ 110,000.00		\$ -	\$ -
3	1408 Management Improvements				
4	1410 Administration	\$ 30,000.00			\$ -
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$ 10,000.00			
8	1440 Site Acquisition				
9	1450 Site Improvement	\$ 35,000.00			
10	1460 Dwelling Structures	\$ 120,000.00			
11	1465.1 Dwelling Equipment - Nonexpendable	\$ 2,000.00			
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 Costs	\$ 20,000.00			
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2-20)	\$ 327,000.00	\$ -	\$ -	\$ -
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conversation Measures				

2004 CFP

Req. #	Acct# 1406	Acct# 1408	Acct# 1410	Acct# 1430	Acct# 1450	Acct# 1460	Acct# 1465	Acct# 1470	Acct# 1475	TOTAL	DATE	REQUESTED DRAWDOWN
1	-									0.00		
2										0.00		
3										0.00		
4										0.00		
5										0.00		
6										0.00		
7										0.00		
8										0.00		
SPENT	-	-	-	-	-	-	-	-	-	-		-
Original Budget								-		-		-
Remaining	-	-	-	-	-	-	-	-	-	-		-
Soft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Capitalized										\$ -		\$ -
	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -

Difference

**Acct#**

**Obligee**

**Date**

**Chk #**

**Requis**

**Req. #**











**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Financial and Compliance Report**

**Fiscal Years Ended**  
**September 30, 2004 and 2003**

JOSEPH EVE  
Certified Public Accountants  
410 Central Avenue, Suite 414  
Great Falls, MT 59401  
(406) 727-1798

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

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## INDEPENDENT AUDITORS' REPORT

**Board of Commissioners**  
**Missoula Housing Authority**  
**Missoula, Montana**

We have audited the accompanying basic financial statements of the Missoula Housing Authority, as of and for the fiscal years ended September 30, 2004 and 2003 as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Russell Square Limited Partnership, which represents 22% and 5%, and 30% and 4%, respectively of the assets and revenues of Missoula Housing Authority. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Russell Square Limited Partnership is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Missoula Housing Authority as of September 30, 2004 and 2003, and the changes in its financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 14, 2005 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 5 through 14 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

**Missoula Housing Authority  
Independent Auditors' Report  
Page 2**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules as listed in the accompanying table of contents are presented for the purposes of additional analysis and are not a required part of the financial statements of the Missoula Housing Authority. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and is also not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the examination of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

JOSEPH EVE  
*Certified Public Accountants*

**Great Falls, Montana  
January 14, 2005**

Missoula Housing Authority

Management Discussion and Analysis

The Missoula Housing Authority's (the Authority) Management Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues and concerns.

Since the Management Discussion and Analysis (MD&A) is designed to focus on the current years activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements (beginning on page 15).

**Financial Highlights**

- The Authority's net assets increased by \$125,317 (1.0%) during 2004. Net assets were \$12,638,554 and \$12,763,871 for 2003 and 2004 respectively.
- Total operating and non-operating revenue increased by \$1,038,742 (18.4%) during 2004, and were \$5,664,938 and \$6,703,680 for 2003 and 2004 respectively.
- The total expenses for all Authority programs increased by \$472,121 (7.5%) during 2004. Total expenses (operating and non-operating) were \$6,240,725 and were \$6,712,846 for 2003 and 2004 respectively.
- Outstanding debt increased by \$2,332,359 (96.6%) during 2004. Total debt was \$2,415,000 and \$4,747,359 for 2003 and 2004 respectively.

USING THIS ANNUAL REPORT

The following graphic outlining this report is provided for your review:

**MD&A**

~ MANAGEMENT DISCUSSION AND ANALYSIS ~

**BASIC FINANCIAL STATEMENTS**

~ AUTHORITY-WIDE FINANCIAL STATEMENTS – PAGES 15-17 ~  
~ NOTES TO FINANCIAL STATEMENTS (EXPANDED/RESTRUCTURED) – PAGES 18-28 ~

**OTHER SUPPLEMENTAL INFORMATION**

~ SUPPLEMENTAL INFORMATION – PAGES 29-46 ~

**AUTHORITY-WIDE FINANCIAL STATEMENTS**

The Authority-wide financial statements (see pages 15-17) are designed to be corporate-like in that all business type activities are consolidated into columns which add to a total for the entire Authority.

These Statements include a Statement of Net Assets, which is similar to a Balance Sheet. The Statement of Net Assets reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equals “Net Assets”. Assets and liabilities are presented in order of liquidity, and are classified as “Current” (convertible to cash within one year), and “Non-current”.

The focus of the Statement of Net Assets (the “Unrestricted Net Assets”) is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Assets are reported in three broad categories:



Net Assets, Invested in Capital Assets, Net of Related Debt: This component of Net Assets consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Assets: This component of Net Assets consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Assets: Consists of Net Assets that do not meet the definition of “Net Assets Invested in Capital Assets, Net of Related Debt”, or “Restricted Net Assets”.

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Net Assets (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Net Assets is the net income or loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, from capital and related financing activities, and investing activities.

#### *THE AUTHORITY'S ACTIVITIES*

Conventional Public Housing (Low Rent) – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide housing at a rent that is based upon 30% of adjusted household income.

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords and property owners. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants rent at 30% of household income.

Capital Fund Program – Under the Capital Fund Program the Authority funds physical and management improvements for the Authority's properties.

Shelter Plus Care – Under the Shelter Plus Care Program the Authority offers housing to the members of the disabled community that is linked directly to services appropriate to each resident. Rental assistance is paid directly to the landlord. HUD provides funding through Continuum of Care grants.

Russell Square Low-Income Housing – Under the Russell Square Low-Income Housing Tax Credit Program the Authority attracted investor capital contributions for construction of an apartment building complex in exchange for tax credits offered by the federal government. 68% of the units are dedicated to low income families and elderly residents, with 32% available at market rates. The Authority also has its offices in the Russell Square Complex.

Intermountain Development Company (IDC) – Under the Intermountain Development Program the Authority is developing low income housing on a 12 acre parcel of land purchased for that purpose. The development will include a tax credit housing project with additional land sold for market-based housing and commercial development.

Business Activities – Represents non-HUD resources developed from a variety of activities, through primarily investment income.

Other Grants/Activities – In addition to the funds above, the Authority also maintains the following grants.

Community Development Block Grant (CDBG) Fund – Under the CDBG Fund the Authority added three new public housing units to an existing public housing property. Funding is provided by a federal pass-through of the HUD Community Development Block Grant Program.

Veteran's Administration (VA) Grant – With a Veteran's Administration Grant the Authority is building a 17 unit transitional housing complex for homeless U.S. veterans.

**AUTHORITY-WIDE STATEMENTS**

The following table reflects the condensed Statement of Net Assets compared to prior year.

**TABLE 1**

**STATEMENT OF NET ASSETS**

	2004	2003
Current and Other Assets	\$ 4,254,779	\$ 5,422,031
Capital Assets	<u>13,682,271</u>	<u>9,965,282</u>
Total Assets	<u>17,937,050</u>	<u>15,387,313</u>
Other Liabilities	660,749	2,429,785
Long-Term Liabilities	<u>4,512,430</u>	<u>318,974</u>
Total Liabilities	<u>5,173,179</u>	<u>2,748,759</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	9,235,028	7,550,282
Unrestricted	<u>3,528,843</u>	<u>5,088,272</u>
Total Net Assets	<u><b>\$12,763,871</b></u>	<u><b>\$12,638,554</b></u>

For more detailed information see page 15 for the Statement of Net Assets.

**Major Factors Affecting the Statement of Net Assets**

Current assets decreased \$1,258,652 in 2004. Investment funds put into capital projects, such as the Uptown Apartments SRO and additional units added to the Vantage Villa Public Housing complex. Non-current assets increased \$3,716,989. Purchase of the Intermountain Lumber site and the property for the Veteran's Administration project increased the land account.

Current liabilities decreased \$1,769,036 in 2004. The current portion of debt for the Russell Square Housing complex was refinanced to long-term. Non-current liabilities increased \$2,424,420. Purchase of the Intermountain Lumber site and the Russell Square Housing refinancing are the primary reasons for the change in the non-current liabilities.

Net assets invested in capital assets increased from \$7,550,282 to \$9,235,028. The \$1,684,746 increase is primarily the Uptown Apartments and Vantage Villa projects, purchase of the Joseph transitional housing residence and the land for the Veteran's Administration project. Unrestricted net assets decreased from \$5,088,272 to \$3,528,843. The \$1,559,429 decrease is primarily due to MHA investments in the projects previously noted.

Table 2 presents the condensed Statement of Revenues, Expenses and Changes in Net Assets compared to prior year.

**TABLE 2**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

The following schedule compares the revenues and expenses for the current and previous fiscal year.

	2004	2003
Revenues		
Tenant Revenue - Rents and Other	\$ 719,512	\$ 595,922
Operating Subsidies and Grants	6,032,068	4,927,965
Investment Income	87,793	98,366
Other Revenues	29,504	48,812
Gain (loss) on Sale of Assets	(165,197)	(6,197)
Capital Contributions	<u>134,483</u>	<u>432,450</u>
Total Revenue	<u>6,838,163</u>	<u>6,097,388</u>
Expenses		
Administrative	1,159,714	1,077,837
Tenant Services	84,255	8,555
Utilities	189,373	153,479
Maintenance	501,017	435,452
General	143,540	106,422
Protective Services	59,224	45,243
Housing Assistance Payments	3,865,758	3,728,006
Interest Expense	92,615	70,364
Depreciation	<u>617,350</u>	<u>615,367</u>
Total Expenses	<u>6,712,846</u>	<u>6,240,725</u>
Net Increase (Decrease)	<u>\$ 125,317</u>	<u>\$ (143,337)</u>

**Major Factors Affecting the Statement of Revenue, Expenses and Changes in Net Assets**

Overall revenue increased by \$740,775 in 2004. Operating subsidies and grants increased by \$1,104,103, primarily from project grants for the Uptown Apartments SRO, Veteran' s Administration transitional housing and the additional Vantage Villa Public Housing units. Tenant revenue increased by \$123,520, primarily from the Russell Square Complex. The \$165,197 Loss on Sale of Assets is MHA donation of land to Garden City Neighbors, Inc. for construction of the Joseph Residence Transition Housing complex.

Most expenses increased due to inflation, higher tenant base and development activities. Administrative expenses increased 7.5% due to staffing changes and higher than inflation increases in employee benefit cost. Increase in Tenant Services due to cost related to Family Self Sufficiency (FSS) grant. Utilities increased 23%, due to higher utility cost and additional units. Ordinary Maintenance & Operations increased 18% primarily due to increase in number of units and properties. General expenses increased 35% due to increased insurance needs related to development projects and insurances rate increases that are higher than inflation. Housing assistance payments increase of 6% is tied to Section 8 Voucher Program.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of year-end, the Authority had approximately \$13.7 million, net of depreciation, invested in a variety of capital assets as reflected in the following table, which represents a net increase (addition, deductions and depreciation) of just over \$3.7 from the end of last year. Purchase of the Intermountain Lumber site land and Mullan Street property for future development increased the Land account. Buildings on the Intermountain Lumber site and completion of the additional units at the Vantage Villa complex increased the Buildings account. Development of the Uptown Apartments site increased the Construction-in-Progress account.

**TABLE 3**

**CAPITAL ASSETS AT YEAR-END  
(NET OF DEPRECIATION)**

	2004	2003
Land and Land Rights	\$ 5,343,690	\$ 1,898,979
Buildings	13,305,030	12,618,240
Equipment – Administrative	668,877	666,436
Improvements	313,505	404,502
Construction-in-Progress	353,657	70,882
Accumulated Depreciation	<u>(6,302,488)</u>	<u>(5,693,757)</u>
Total	<u>\$13,682,271</u>	<u>\$ 9,965,282</u>

The following reconciliation summarizes the change in Capital Assets, which is presented in detail on page 22 of the notes.

**TABLE 4**

**CHANGE IN CAPITAL ASSETS**

	Business Type Activities
Beginning Balance	\$ 9,965,282
Additions	4,499,264
Retirements	(173,544)
Net of Depreciation	8,227
Depreciation	<u>(616,958)</u>
Ending Balance	<u>\$ 13,682,271</u>

This year's major additions are:

Land purchases (Intermountain Lumber site (IDC) and Mullan Road site (Veteran's Housing))	\$3,609,800
Buildings (Vantage Villa complex and IDC)	\$553,435
Construction-in-Progress (Uptown Apartments SRO)	\$298,475

**Debt Outstanding**

As of year-end, the Authority had \$4,447,243 in debt outstanding compared to \$2,415,000 last year, a \$2,032,243 increase. Funding for the Russell Square Housing Complex and purchase this year of the Intermountain Lumber site is the debt. Refinancing of the Russell Square Housing debt was the primary change in the Current Portion.

**TABLE 5**

**OUTSTANDING DEBT, AT YEAR-END**

<u>Business Type</u>	2004	2003
Capital Improvements	\$ 4,425,410	\$ 200,000
Current Portion	<u>21,833</u>	<u>2,215,000</u>
Total Outstanding Debt	<u>\$ 4,447,243</u>	<u>\$ 2,415,000</u>

### **ECONOMIC FACTORS**

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development (HUD)
- Building industry activity, including increase cost of services and materials
- Cost of Insurance – property, liability and employee medical
- Inflationary pressure on utility rates, suppliers and other costs

### **FINANCIAL CONTACT**

The individual to be contacted regarding this report is Bill Sawyer, Chief Financial Officer of the Missoula Housing Authority, by phone at 406-549-4113, or by email at [bsawyer@missoulahousing.org](mailto:bsawyer@missoulahousing.org). Specific requests may be submitted to Bill Sawyer, Chief Financial Officer, Missoula Housing Authority, 1235 34<sup>th</sup> Street, Missoula, MT 59801.



**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Statements of Net Assets**  
September 30, 2004 and 2003

	<b>2004</b>	<b>2003</b>
<b><u>Assets</u></b>		
<b>Current assets</b>		
Cash and cash equivalents	\$170,591	\$279,034
Investments	1,749,018	3,190,874
Restricted cash	289,640	204,779
Accounts receivable, net	455,598	245,725
Interest receivable	3,225	16,932
Prepaid expenses and other assets	33,922	26,277
Inventories	15,044	12,069
<b>Total current assets</b>	<b>2,717,038</b>	<b>3,975,690</b>
<b>Non-current assets</b>		
<b>Capital assets</b>		
Land	5,343,690	1,898,979
Buildings	13,305,030	12,618,240
Equipment	668,877	666,436
Improvements	313,505	404,502
Construction in progress	353,657	70,882
	19,984,759	15,659,039
Accumulated depreciation	(6,302,488)	(5,693,757)
<b>Total capital assets, net of accumulated depreciation</b>	<b>13,682,271</b>	<b>9,965,282</b>
<b>Other non-current assets</b>		
Notes and mortgages receivable	1,445,347	1,436,606
Due from Intermountain Development Company	57,242	
Other assets	35,152	9,735
<b>Total non-current assets</b>	<b>15,220,012</b>	<b>11,411,623</b>
<b>Total assets</b>	<b>17,937,050</b>	<b>15,387,313</b>
<b><u>Liabilities</u></b>		
<b>Current liabilities</b>		
Accounts payable	192,590	61,704
Accrued interest	1,000	3,769
Accrued compensated absences	60,103	43,056
Deferred revenue	3,669	6,777
Other current liabilities	81,438	99,479
Due to Garden City Neighbors	300,116	
Current portion long-term debt	21,833	2,215,000
<b>Total current liabilities</b>	<b>660,749</b>	<b>2,429,785</b>
<b>Non-current liabilities</b>		
Long-term debt	4,425,410	200,000
Other liabilities	87,020	118,974
<b>Total non-current liabilities</b>	<b>4,512,430</b>	<b>318,974</b>
<b>Total liabilities</b>	<b>5,173,179</b>	<b>2,748,759</b>
<b><u>Net assets</u></b>		
Invested in capital assets, net of related debt	9,235,028	7,550,282
Unrestricted	3,528,843	5,088,272
<b>Total net assets</b>	<b>\$12,763,871</b>	<b>\$12,638,554</b>

See Independent Auditors' Report and Notes to the Financial Statements.

**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Statements of Revenues, Expenses**  
**and Changes in Net Assets**

**Fiscals Years Ended September 30, 2004 and 2003**

	<b>2004</b>	<b>2003</b>
<b><u>Operating revenues</u></b>		
Tenant revenue	\$719,512	\$595,992
Other revenue	29,504	48,812
<b>Total operating revenues</b>	749,016	644,804
<b><u>Operating expenses</u></b>		
Administrative expenses	1,159,714	1,077,837
Tenant services	84,255	8,555
Utility expense	189,373	153,479
Ordinary maintenance and operation	501,017	425,019
General expenses	143,540	106,422
Extraordinary maintenance		10,433
Protective services	59,224	45,243
Housing assistance payments	3,865,758	3,728,006
Depreciation and amortization expense	617,350	615,367
<b>Total operating expenses</b>	6,620,231	6,170,361
<b>Operating (loss)</b>	(5,871,215)	(5,525,557)
<b>Nonoperating revenues (expenses)</b>		
HUD PHA grants	5,201,155	4,921,938
Other grants	830,913	6,027
Investment income	87,793	98,366
Interest expense	(92,615)	(70,364)
(Loss) on disposition of assets	(165,197)	(6,197)
<b>Total nonoperating revenues (expenses)</b>	5,862,049	4,949,770
<b>(Loss) before contributions and transfers</b>	(9,166)	(575,787)
Capital contribution to Russell Square	134,483	432,450
<b>Net income (loss)</b>	125,317	(143,337)
Net assets, beginning of year	12,638,554	12,781,891
Net assets, end of year	\$12,763,871	\$12,638,554

See Independent Auditors' Report and Notes to the Financial Statements.

**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Statements of Cash Flows**  
Fiscal Years Ended September 30, 2004

	<b>2004</b>	<b>2003</b>
<b><u>Cash flows from operating activities</u></b>		
Cash received from customers	\$778,565	\$677,504
Cash paid to employees	(1,088,420)	(744,409)
Cash paid for goods and services	(4,908,826)	(5,062,577)
<b>Net cash (used) by operating activities</b>	<b>(5,218,681)</b>	<b>(5,129,482)</b>
<b><u>Cash flows from non-capital financing activities</u></b>		
Cash received from grantor	5,788,292	4,805,675
<b>Net cash provided by non-capital financing activities</b>	<b>5,788,292</b>	<b>4,805,675</b>
<b><u>Cash flows from capital and related financing activities</u></b>		
Payments for capital acquisitions	(4,499,266)	(924,543)
Proceeds from loan	2,250,000	636,149
Payments on debt	(217,757)	
Limited partner capital contributions	134,483	432,450
Credit issued from related parties	291,375	(1,426,606)
<b>Net cash (used) by capital and related financing activities</b>	<b>(2,041,165)</b>	<b>(1,282,550)</b>
<b><u>Cash flows from investing activities</u></b>		
Proceeds from sale of investments	1,441,856	1,826,470
Interest received	101,500	98,366
Interest paid	(95,384)	(70,364)
<b>Net cash provided by investing activities</b>	<b>1,447,972</b>	<b>1,854,472</b>
Net increase (decrease) in cash and cash equivalents	(23,582)	248,115
Cash and cash equivalents, beginning of the year	483,813	235,698
<b>Cash and cash equivalents, end of year</b>	<b>\$460,231</b>	<b>\$483,813</b>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	(\$5,871,215)	(\$5,525,557)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation and amortization	617,350	615,367
(Increase) in inventories	(2,975)	(653)
(Increase) in prepaid expenses	(7,302)	(640)
Decrease in accounts receivable	29,549	14,397
Decrease in interest receivable		18,303
(Increase) in other assets	(83,002)	
(Increase) decrease in security deposits	(18,041)	23,328
(Decrease) in accrued interest		(4,185)
Increase (decrease) in accounts payable	130,886	(389,385)
Increase in payroll related liabilities	17,047	14,528
Increase (decrease) in other liabilities	(30,978)	105,015
<b>Net cash used by operating activities</b>	<b>(\$5,218,681)</b>	<b>(5,129,482)</b>
<b><u>Cash and cash equivalents</u></b>		
Cash and equivalents	\$170,591	\$279,034
Restricted cash	289,640	204,779
<b>Ending cash and cash equivalents</b>	<b>\$460,231</b>	<b>\$483,813</b>

See Independent Auditors' Report and Notes to the Financial Statements.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 1 - Summary of Significant Accounting Policies**

The following is a summary of the significant accounting policies followed by the Missoula Housing Authority:

**Reporting Entity**

The financial statements of the Missoula Housing Authority include the accounts of all Housing Authority operations for which the Board of Commissioners had significant oversight responsibility. The Board of Commissioners is appointed by the Missoula City Mayor. Oversight responsibility is determined on the basis of budget adoption, funding and appointment of the respective governing board.

In evaluating how to define the government for financial reporting purposes, management evaluated the involved entities on a number of criteria. It was determined that the Authority is the primary government based upon the fact that it is legally separate, its governing body is separately selected and it is fiscally independent of other primary governments, specifically, in this case, the City of Missoula.

Potential component units of the Authority are evaluated on various criteria, the main one being the degree of accountability the primary government has over the potential component units. The most significant factor in the accountability assessment is the potential component unit's financial accountability to the primary government, measured through the degree to which the primary government can appoint a voting majority of the governing body, impose its will, ascertain a potential financial benefit, or face a potential financial burden with regard to the potential component unit.

Potential component units of the Authority are Russell Square Housing Limited Partnership and Intermountain Development Corporation. Based upon an evaluation of these potential component units using the criteria detailed above, the Russell Square Housing Limited Partnership and Intermountain Development Corporation should be included in the reporting entity of the Authority. These component units are blended based upon the fact that their governing bodies are substantially the same as the Authority. Russell Square Housing Limited and Intermountain Development Corporation Partnership have a December 31st year end.

**Project Accounting**

The accounts of the Housing Authority are organized on the basis of annual contributions contracts and the related projects. The operations of the projects are accounted for within a separate set of self-balancing accounts that comprise assets, liabilities, retained earnings, revenues and expenses. The following annual contributions contracts and projects are administered by the Missoula Housing Authority:

**Annual Contributions Contract DEN-2221, Projects MT33-1, MT33-2, MT33-3, MT33-9, MT33-11, MT33-12, MT33-14, and MT33-18**

These projects consist of 165 units of owned housing. Development costs under all projects have been completed with all related liabilities being discharged through payment.

**Annual Contributions Contract DEN-2221-038-V**

At September 30, 2004, this project consisted of 754 units respectively under the Housing Assistance Payment, Housing Choice Voucher Program.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 1 – Summary of Significant Accounting Policies – (Continued)**

**Project Accounting – (Continued)**

**Business Activities**

This project consists of two units deeded from Missoula County, which are managed by the Missoula Housing Authority. The Authority records development fees and costs associated with two other development projects in this program. The Authority also accounts for a HUD CDBG grant in this project.

**Shelter Plus Care and Shelter Plus Care Bridge Grant**

This program provided a total of 87 units of rental assistance and supportive services to homeless individuals with disabilities.

**PHDEP**

This program provides youth activities and funding for a community police officer.

**Basis of Accounting**

The Missoula Housing Authority prepares its financial statements on the accrual basis of accounting. Under this method, revenue is recognized in the accounting period in which it is earned and expenses are recorded when the liability for them is initially incurred. The Authority has elected to apply Financial Accounting Standards Board Statements or Interpretations issued after November 30, 1989, which do not contradict Government Accounting Standards.

**Budgets**

Individual formal program budgets are prepared and submitted to the Board of Commissioners for approval. The resolution from the Board of Commissioners approving the budget is submitted to HUD. Because the Authority administers several programs, there is no formal overall agency budget. However, the Board of Commissioners reviews consolidated budget information for operations.

**Investments**

Gains and losses on investments are recognized when investments are disposed of. The Authority is limited by state law to the following types of investments:

- Time or savings deposits in state and national banks, building and loan associations and savings and loan associations insured by the FDIC or the FSLIC,
- Direct obligations of the U.S. Government payable within 180 days from the time of investment,
- Investments in the State Short-term Investment Pool, and
- Repurchase Agreements.

**Statement of Cash Flows**

The Authority considers all short-term investments with an original maturity of three months or less to be cash equivalents.

**Inventories**

Inventories consist of operating supplies and are stated at the lower of cost or market value. Cost has been determined using the first-in, first-out method.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 1 – Summary of Significant Accounting Policies – (Continued)**

**Capital Assets**

Capital assets used in operations are recorded at historical cost, or estimated historical cost if not available. Depreciation of fixed assets is computed using the straight-line method and the following estimated useful lives:

Buildings and improvements	10 – 30 years
Machinery and equipment	3 – 10 years
Vehicles	7 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

GASB Statement No. 34 requires that the net cost of capital assets be depreciated over their estimated useful lives by assets class or groups of assets of the same class or individual assets.

**Accounts Receivable**

Accounts receivable includes amounts due from tenants and the U.S. Department of Housing and Urban Development. The allowance for doubtful accounts adjusts for those accounts the Authority deems uncollectible.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Revenue**

Operating revenue is rent and related revenue derived by providing low income housing. In accordance with the provisions of GASB Statement No. 33, grant revenue is considered non-operating revenue.

**Loan Costs**

Loan costs are amortized over the term of the related debt using the straight-line method. Amortization expenses in 2004 and 2003 were \$392 and \$0 respectively.

**Note 2 - Cash and Cash Equivalents**

Cash consists of balances stated at cost and consist of balances in federally insured checking and savings accounts. U.S. Treasury notes of \$3,200,000 are currently pledged by the Housing Authority's bank as collateral for balances exceeding the FDIC's insurance limit.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 2 - Cash and Cash Equivalents - Continued**

Restricted cash consists of the following:

	2004	2003
FSS escrow/operating	\$193,135	\$118,974
Security deposits	80,740	80,505
Replacement reserve	15,765	5,300
	\$289,640	\$204,779

**Note 3 – Investments**

The Authority's investments as of September 30, 2004 and 2003 are carried at fair value and are categorized below by the level of credit risk. Category 1 includes investments insured or registered or held by the Authority or by its agent in the Authority's name. Category 2 includes investments uninsured and unregistered, with securities held by the counterparty's trust department or agent in the entity's name. Category 3 is uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the entity's name.

The Authority's investments at September 30, 2004 were:

	Category			Carrying Amount	Fair Value
	1	2	3		
Certificates of Deposit (6 month maturity)	<u>\$0</u>	<u>\$1,749,018</u>	<u>\$0</u>	<u>\$1,749,018</u>	<u>\$1,749,018</u>

The Authority's investments at September 30, 2003 were:

	Category			Carrying Amount	Fair Value
	1	2	3		
Certificates of Deposit (6 month maturity)	<u>\$0</u>	<u>\$3,190,874</u>	<u>\$0</u>	<u>\$3,190,874</u>	<u>\$3,190,874</u>

**Note 4 - Accounts Receivable**

Accounts receivable at September 30, 2004 and 2003 consist of the following items:

	2004	2003
Security deposit advances	\$11,909	\$15,141
Tenants	1,253	1,321
Due from other governments	441,044	201,460
Other	6,367	31,113
Allowance for doubtful accounts	(4,813)	(3,310)
	\$455,760	\$245,725

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 5 –Capital Assets**

A summary of changes in capital assets for the year ended September 30, 2004 is as follows:

	Balance 10/1/2003	Additions	Deletions	Transfers	Balance 9/30/2004
Capital assets not being depreciated					
Land	\$1,898,979	\$3,609,800	(\$165,089)		\$5,343,690
Construction in progress	70,882	298,475		(\$15,700)	353,657
Total capital assets not being depreciated	1,969,861	3,908,275	(\$165,089)	(15,700)	5,697,347
Capital assets being depreciated					
Buildings	12,618,240	553,435		133,355	13,305,030
Equipment	666,436	10,896	(8,455)		668,877
Land improvements	249,526			1,745	251,271
Leasehold improvements	154,976	26,658		(119,400)	62,234
Total capital assets being depreciated	13,689,178	590,989	(8,455)	15,700	14,287,412
Less accumulated depreciation:					
Buildings	(5,270,017)	(574,327)	8,227		(5,836,117)
Equipment	(346,120)	(26,997)		(232)	(373,349)
Land improvements	(69,517)	(15,634)			(85,151)
Leasehold improvements	(8,103)			232	(7,871)
	(5,693,757)	(616,958)	8,227		(6,302,488)
Net capital assets being depreciated	7,995,421	(25,969)	(228)	15,700	7,984,924
<b>Net capital assets</b>	<b>\$9,965,282</b>	<b>\$3,882,306</b>	<b>(\$165,317)</b>	<b>\$0</b>	<b>\$13,682,271</b>

Depreciation expense for the year ended September 30, 2004 was \$616,958.



**MISSOULA HOUSING AUTHORITY**  
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**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 5 –Capital Assets- (Continued)**

A summary of changes in capital assets for the year ended September 30, 2003 is as follows:

	Balance 10/1/2002	Additions	Deletions	Transfers	Balance 9/30/2003
Capital assets not being depreciated					
Land	\$1,655,069	\$200,260		\$43,650	\$1,898,979
Construction in progress	3,522,519	661,223		(4,112,860)	70,882
Total capital assets not being depreciated	<u>5,177,588</u>	<u>861,483</u>	<u>\$0</u>	<u>(4,069,210)</u>	<u>1,969,861</u>
Capital assets being depreciated					
Buildings	9,039,080	27,019		3,552,141	12,618,240
Equipment	516,832	36,041	(46,003)	159,566	666,436
Land improvements				249,526	249,526
Leasehold improvements	46,999			107,977	154,976
Total capital assets being depreciated	<u>9,602,911</u>	<u>63,060</u>	<u>(46,003)</u>	<u>4,069,210</u>	<u>13,689,178</u>
Less accumulated depreciation:					
Buildings	(4,771,103)	(498,914)			(5,270,017)
Equipment	(305,159)	(80,568)	39,607		(346,120)
Land improvements	(38,389)	(31,128)			(69,517)
Leasehold improvements	(3,346)	(4,757)			(8,103)
Total accumulated depreciation	<u>(5,117,997)</u>	<u>(615,367)</u>	<u>39,607</u>		<u>(5,693,757)</u>
Net capital assets being depreciated	<u>4,484,914</u>	<u>(552,307)</u>	<u>(6,396)</u>	<u>4,069,210</u>	<u>7,995,421</u>
<b>Net capital assets</b>	<u><u>\$9,662,502</u></u>	<u><u>\$309,176</u></u>	<u><u>(\$6,396)</u></u>	<u><u>\$0</u></u>	<u><u>\$9,965,282</u></u>

Depreciation expense for the year ended September 30, 2003 was \$615,367.

**Note 6 - Accounts Payable**

Accounts payable at September 30, 2004 and 2003 consist of the following:

	<u>2004</u>	<u>2003</u>
Vendors	\$192,590	\$43,292
City of Missoula		<u>18,412</u>
	<u>\$192,590</u>	<u>\$61,704</u>

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 7 - Other Current Liabilities**

Other current liabilities at September 30, 2004 and 2003 consist of the following:

	<u>2004</u>	<u>2003</u>
Security deposits	\$80,812	\$80,867
Accrued payroll taxes/wages		17,465
Miscellaneous	<u>626</u>	<u>1,147</u>
	<u>\$81,438</u>	<u>\$99,479</u>

**Note 8 – Other Non-current Liabilities**

Other non-current liabilities consist of FSS escrow accounts of \$87,020 and \$118,974 at September 30, 2004 and 2003 respectively.

**Note 9 – Interfund Receivable/Payable**

Interfund receivable/payable at September 30, 2004 consists of the following:

	<u>Receivable</u>	<u>Payable</u>
Public Housing	\$66,892	
Shelter Plus Care		\$48,183
Section 8	48,020	5,089
Capital Fund		62,917
Business Activities	<u>1,750</u>	<u>130</u>
	<u>\$116,662</u>	<u>\$116,319</u>

Interfund receivable/payable at September 30, 2003 consists of the following:

	<u>Receivable</u>	<u>Payable</u>
Public Housing	\$32,102	\$865
Shelter Plus Care	0	40,484
Section 8	41,349	7,544
Capital Fund	0	29,524
Business Activities	<u>7,544</u>	<u>2,578</u>
	<u>\$80,995</u>	<u>\$80,995</u>

These amounts are eliminated for financial statement presentation purposes. The interfund balances result from amounts advanced for operations of the grant and operation activities. A balance remained between Missoula Housing Authority and Intermountain Development Company since their year end dates do not correspond.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 10– Long-term Debt**

Long-term debt belonging to Russell Square Housing Limited Partnership and Intermountain Development Corporation consists of the following:

	<u>2004</u>	<u>2003</u>
<p>On March 10, 2000, Russell Square entered into a loan agreement with U.S. Bank National Association MT (“US Bank”) in an amount totaling \$2,215,000. Under the terms of the note, interest shall accrue at the Wall Street Journal Prime, as defined, less .75% per annum. As of December 31, 2002, the interest rate was 3.50%. The Partnership is obligated to make interest-only payments on the note until the maturity date, June 18, 2002, at which time all principal and accrued interest shall become due and payable. The note is secured by a first deed of trust on the Project. On December 26, 2002, the maturity date was extended to January 15, 2003 and again to March 15, 2003.</p>		\$2,215,000
<p>The note to U.S. Bank was refinanced on August 28, 2003 in the amount of \$2,000,000 with monthly payments due in the amount of \$12,866, including interest at 6.67%. The note payable and all interest is due September 2019. The note is secured by building and land.</p>	\$1,997,243	
<p>Promissory note to the City of Missoula secured by land. Interest payments of \$2,000 at 1% are due beginning June 26, 2001 and thereafter until June 26, 2010. Beginning June 26, 2011 payments of \$11,083, including interest, are due each year and thereafter until June 26, 2030. However, beginning with the 2002 payment, the payment is limited to the net cash flows from operations of Russell Square Housing Limited Partnership. (See Note 12)</p>	200,000	200,000
<p>On December 22, 2003, Intermountain Development Company, Inc. (IDC) entered into a loan agreement with First Interstate Bank in an amount totaling \$2,250,000. Under the terms of the note, interest shall accrue at the Wall Street Journal Prime, as defined, plus .25% per annum. As of December 22, 2003, the interest rate was 4.0%. The Company is obligated to make one payment of principal and interest on the note at the maturity date. The note is secured by a construction deed of trust on real property. On December 23, 2004, the maturity date was extended to March 31, 2006.</p>	<u>2,250,000</u>	_____

**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Notes to the Financial Statements**  
For the Fiscal Years Ended September 30, 2004 and 2003

**Note 10 - Long-term debt - Continued**

Total long-term debt	4,447,243	2,415,000
Less current portion	<u>(21,833)</u>	<u>(2,215,000)</u>
Long-term debt	<u>\$4,425,410</u>	<u>\$200,000</u>

A summary of changes in long-term debt for the year ended September 30, 2004, is as follows:

	<u>Balance</u> <u>At 10/1/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>At 9/30/04</u>
Notes payable	<u>\$2,415,000</u>	<u>\$2,250,000</u>	<u>\$(217,757)</u>	<u>\$4,447,243</u>

The aggregate maturities required to amortize the long-term debt are as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$21,833	\$134,067	\$155,900
2005	23,335	132,532	155,867
2006	2,274,490	411,835	2,686,325
2007	26,655	129,137	155,792
2008	28,488	127,262	155,750
2009-2013	206,126	604,807	810,933
2014-2018	296,809	530,566	827,375
2019-2023	1,494,937	100,086	1,595,023
2024-2028	52,731	2,684	55,415
2029-2033	21,839	328	22,167
	<u>\$4,447,243</u>	<u>\$2,173,304</u>	<u>\$6,620,547</u>

**Note 11 - Economic Dependency**

The Missoula Housing Authority receives a significant amount of its operating revenues from various grants funded by the U.S. Department of Housing and Urban Development.

**Note 12 - Russell Square Housing Limited Partnership**

In June 2000, the Authority became a general partner in the Russell Square Housing Limited Partnership with limited partner U.S. Affordable Housing CDC (a division of US Bank) for the purposes of building affordable housing at a new housing development at Russell Square.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 13 – Related Party Transactions**

Beginning March 15, 2002, the Authority entered into an office space lease with Russell Square Housing Limited Partnership. The lease term is for 15 years at an annual rate of \$7.91 per square foot. As of September 30, 2004, the Authority paid \$38,917 for office rent. The future minimum lease payments as are follows:

2005	\$38,917
2006	38,917
2007	38,917
2008	38,917
2009	38,917
2010-2014	194,585
2015-2019	<u>116,751</u>
	<u>\$505,921</u>

On December 30, 2003, the Authority entered into a note agreement with Intermountain Development Company (IDC) (a housing organization that works in cooperation with Missoula Housing Authority) totaling \$762,453. The note was executed to advance IDC monies to purchase property. Under the terms of the note, interest shall accrue at 3% monthly. The principal and interest is due in full upon sale of the property purchased with this loan. At December 31, 2003 the balance of the note was \$773,198. On November 13, 2004, the line of credit limit increased to \$1,050,000.

The Authority loaned Garden City Neighbors (a housing organization that works in cooperation with Missoula Housing Authority) \$1,425,000 during the fiscal year ended September 30, 2003. A note was executed to advance Garden City Neighbors monies to purchase four parcels of property and pay for the associated development costs. Under the terms of the note agreements, interest shall accrue at 4.5% per year for \$545,000 and 3.5% per year for \$880,000. Of the \$880,000, only \$579,884 has been advanced to Garden City Neighbors. The remaining portion, \$300,116, has been recorded as amounts due to Garden City Neighbors from the Authority. Principal and interest are due upon sale of the properties. In addition, Garden City Neighbors also owes the Authority another \$779 for miscellaneous expenses. Currently, several members of the Authority's management are incumbent board officers of Garden City Neighbors.

The Authority also donated a land known as Edgell/Reserve Street to Garden City Neighbors during the fiscal year. The land was purchased in 1998 by the Authority for \$165,088.

The Authority loaned Missoula Housing Corporation (MHC) (a housing corporation that works in cooperation with Missoula Housing Authority) \$19,569. The note was executed to advance MHC monies to develop property. Under the terms of the note, no interest shall accrue. The monies will be due back to the Authority within sixty days upon MHC receipt of United States Department of Housing and Urban Development funds or sale of tax credits issued by the Montana Board of Housing for development.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to the Financial Statements**  
**For the Fiscal Years Ended September 30, 2004 and 2003**

**Note 13 – Related Party Transactions - Continued**

A developer fee is payable from Russell Square to Missoula Housing Authority for its participation as general partner in Russell Square Housing Limited Partnership. The Authority deferred the full amount of \$420,576 and recognized the income based on an agreed-to completion schedule. As of September 30, 2003, the Authority had earned \$420,576 in developer fees which are expected to be fully received according to the agreement. These amounts are eliminated for financial statement purposes.

**Note 14 – Subsequent Events**

The following financial activity took place subsequent to September 30, 2004:

On October 22, 2004, HUD awarded Missoula Housing Corporation (MHC) a Section 202 Funds Reservation in the amount of \$2.9 million for construction and \$577,000 for five years of operations. In May of 2002, MHA purchased the land on which MHC will build a 41 unit building for elderly residents.

On November 17, 2004, the Authority's Board of Commissioners authorized an advance of \$250,000 to the Kilkenny Corporation (created by MHC in accordance with Section 202 requirements) for the purpose of funding the predevelopment work necessary for the above referenced elderly housing grant.

The Authority's Board of Commissioners authorized entering into a contract to construct a 17 unit homeless veteran's facility. The Authority's Board previously authorized a sum of \$570,000 from MHA's Development Fund as a match to the Department of Veteran's Affairs \$989,364 grant.

On January 25, 2004 HUD approved the Authority's McKinney-Vento Homeless Assistance application for funding in the amount of \$1,278,000. The grants were awarded, as follows:

- 26 new Shelter Plus Care vouchers - \$847,440 (five-year)
- 70 Shelter Plus Care renewal vouchers - \$430,560 (one-year)

On February 1, 2005, the Uptown Apartments opened a 14 unit SRO developed and operated by the Authority, with funding from the Authority's Development Fund, HUD and a HOME grant.

**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Combining Statements of Net Assets**  
September 30, 2004

	Low Rent 14.850	CDBG Grant 14.218	Section 8 Rental Voucher Program 14.871	Shelter + Care & S+C Bridge 14.238	Capital Fund 14.872
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$32,146		(\$2,370)	\$20,632	
Investments	260,825		151,016		
Restricted cash	65,974		81,184		
Accounts receivable - net	1,702		11,500	30,027	\$62,917
Interest receivable	1,099				
Prepaid expenses and other assets	27,948		1,033		
Intercompany balances	66,892		42,931	(48,183)	(62,917)
Inventories	14,279				
<b>Total current assets</b>	<b>470,865</b>	<b>\$0</b>	<b>285,294</b>	<b>2,476</b>	<b>0</b>
<b>Non-current assets</b>					
<b>Capital assets</b>					
Land	663,300				
Buildings	9,123,463	68,243			159,830
Furniture, equipment and machinery - dwellings	103,006				33,837
Furniture, equipment and machinery - administration	242,280		47,908		80,813
Leasehold improvements	16,782		4,638		57,598
Construction in progress					
	10,148,831	68,243	52,546	0	332,078
Accumulated depreciation	(5,844,946)		(25,862)		(95,414)
<b>Total capital assets, net of accumulated depreciation</b>	<b>4,303,885</b>	<b>68,243</b>	<b>26,684</b>	<b>0</b>	<b>236,664</b>
<b>Other non-current assets</b>					
Notes and mortgages receivable	172				
Long-term intercompany balances					
Other assets	300				
<b>Total non-current assets</b>	<b>4,304,357</b>	<b>68,243</b>	<b>26,684</b>	<b>0</b>	<b>236,664</b>
<b>Total assets</b>	<b>4,775,222</b>	<b>68,243</b>	<b>311,978</b>	<b>2,476</b>	<b>236,664</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Accounts payable	46,517		19,752	1,237	
Interest payable					
Accrued compensated absences	36,062		24,041		
Deferred revenue	2,430			1,239	
Other current liabilities	59,185		703		
Due to Garden City Neighbors					
Current portion of long-term debt					
<b>Total current liabilities</b>	<b>144,194</b>	<b>0</b>	<b>44,496</b>	<b>2,476</b>	<b>0</b>
<b>Non-current liabilities</b>					
Long-term debt					
Other non-current liabilities	6,086		80,934		
<b>Total non-current liabilities</b>	<b>6,086</b>	<b>0</b>	<b>80,934</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>150,280</b>	<b>0</b>	<b>125,430</b>	<b>2,476</b>	<b>0</b>
<b>Net assets</b>					
Invested in capital assets, net of related debt	4,303,885	68,243	26,684		236,664
Unrestricted	321,057		159,864		
<b>Total net assets</b>	<b>\$4,624,942</b>	<b>\$68,243</b>	<b>\$186,548</b>	<b>\$0</b>	<b>\$236,664</b>

See Independent Auditors' Report.

**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Combining Statements of Net Assets**  
September 30, 2004

	Home Grant 14,239	VA Grant 64,024	Business Activities	Russell Square Business Activities	IDC Component Unit	Total
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents			\$1,354	\$118,829		\$170,591
Investments			1,337,177			1,749,018
Restricted cash				142,482		289,640
Accounts receivable - net		\$262,382	85,940	1,130		455,598
Interest receivable			2,126			3,225
Prepaid expenses and other assets			3,947	651		33,579
Intercompany balances			1,620			343
Inventories				765		15,044
<b>Total current assets</b>	<b>\$0</b>	<b>262,382</b>	<b>1,432,164</b>	<b>263,857</b>	<b>\$0</b>	<b>2,717,038</b>
<b>Non-current assets</b>						
<b>Capital assets</b>						
Land	420,000		978,844	500,103	2,781,443	5,343,690
Buildings			47,685	3,667,709	238,100	13,305,030
Furniture, equipment and machinery - dwellings			1,467	159,566		297,876
Furniture, equipment and machinery - administration						371,001
Leasehold improvements				234,487		313,505
Construction in progress	80,000		273,657			353,657
	500,000	0	1,301,653	4,561,865	3,019,543	19,984,759
Accumulated depreciation			(29,712)	(306,554)		(6,302,488)
<b>Total capital assets, net of accumulated depreciation</b>	<b>500,000</b>	<b>0</b>	<b>1,271,941</b>	<b>4,255,311</b>	<b>3,019,543</b>	<b>13,682,271</b>
<b>Other non-current assets</b>						
Notes and mortgages receivable			1,445,175			1,445,347
Long-term intercompany balances			1,251,016	(420,576)	(773,198)	57,242
Other assets				34,852		35,152
<b>Total non-current assets</b>	<b>500,000</b>	<b>0</b>	<b>3,968,132</b>	<b>3,869,587</b>	<b>2,246,345</b>	<b>15,220,012</b>
<b>Total assets</b>	<b>500,000</b>	<b>262,382</b>	<b>5,400,296</b>	<b>4,133,444</b>	<b>2,246,345</b>	<b>17,937,050</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Accounts payable			119,656	5,428		192,590
Interest payable				1,000		1,000
Accrued compensated absences						60,103
Deferred revenue						3,669
Other current liabilities			800	20,750		81,438
Due to Garden City Neighbors			300,116			300,116
Current portion of long-term debt				21,833		21,833
<b>Total current liabilities</b>	<b>0</b>	<b>0</b>	<b>420,572</b>	<b>49,011</b>	<b>0</b>	<b>660,749</b>
<b>Non-current liabilities</b>						
Long-term debt				2,175,410	2,250,000	4,425,410
Other non-current liabilities						87,020
<b>Total non-current liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,175,410</b>	<b>2,250,000</b>	<b>4,512,430</b>
<b>Total liabilities</b>	<b>0</b>	<b>0</b>	<b>420,572</b>	<b>2,224,421</b>	<b>2,250,000</b>	<b>5,173,179</b>
<b>Net assets</b>						
Invested in capital assets, net of related debt	500,000		1,271,941	2,058,068	769,543	9,235,028
Unrestricted		262,382	3,707,783	(149,045)	(773,198)	3,528,843
<b>Total net assets</b>	<b>\$500,000</b>	<b>\$262,382</b>	<b>\$4,979,724</b>	<b>\$1,909,023</b>	<b>(\$3,655)</b>	<b>\$12,763,871</b>

See Independent Auditors' Report.



**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Combining Statement of Net Assets**  
September 30, 2003

	Low Rent 14.850	Section 8 Rental Voucher Program 14.871	Shelter + Care & S+C Bridge 14.238	CIAP 14.852	Capital Fund 14.872
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$8,653	\$8,426	\$2,730		
Investments	572,670	10,983			
Restricted cash	64,878	113,088			
Accounts receivable - net	8,710	144,039	43,038		\$29,524
Interest receivable	1,021				
Prepaid expenses and other assets	19,479	2,794			
Intercompany balances	31,237	33,805	(40,484)		(29,524)
Inventories	11,870				
<b>Total current assets</b>	<b>718,518</b>	<b>313,135</b>	<b>5,284</b>	<b>\$0</b>	<b>0</b>
<b>Non-current assets</b>					
<b>Capital assets</b>					
Land and improvements	663,300				
Buildings	8,766,417				136,429
Equipment	351,921	47,908			105,575
Improvements	139,797	4,638			25,578
Construction in progress	10,340				5,360
	9,931,775	52,546	0	0	272,942
Accumulated depreciation	(5,443,781)	(21,689)			(55,204)
<b>Total capital assets, net of accumulated depreciation</b>	<b>4,487,994</b>	<b>30,857</b>	<b>0</b>	<b>0</b>	<b>217,738</b>
<b>Other non-current assets</b>					
Notes and mortgages receivable					
Long-term intercompany balances					
Other assets	300				
<b>Total non-current assets</b>	<b>4,488,294</b>	<b>30,857</b>	<b>0</b>	<b>0</b>	<b>217,738</b>
<b>Total assets</b>	<b>5,206,812</b>	<b>343,992</b>	<b>5,284</b>	<b>0</b>	<b>217,738</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Accounts payable	29,877	2,833	146		
Accrued interest					
Accrued compensated absences	25,834	17,222			
Deferred revenue	2,332		4,364		
Other current liabilities	66,386	7,390	774		
Current portion long-term debt					
<b>Total current liabilities</b>	<b>124,429</b>	<b>27,445</b>	<b>5,284</b>	<b>0</b>	<b>0</b>
<b>Non-current liabilities</b>					
Long-term debt					
Other non-current liabilities	5,886	113,088			
<b>Total non-current liabilities</b>	<b>5,886</b>	<b>113,088</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>130,315</b>	<b>140,533</b>	<b>5,284</b>	<b>0</b>	<b>0</b>
<b>Net assets</b>					
Invested in capital assets, net of related debt	4,487,993	30,857			217,738
Unrestricted	588,504	172,602			
<b>Total net assets</b>	<b>\$5,076,497</b>	<b>\$203,459</b>	<b>\$0</b>	<b>\$0</b>	<b>\$217,738</b>

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**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Combining Statement of Net Assets**  
**September 30, 2003**

	Public Housing Drug Elimination Program 14.854	Community Development Block Grant 14.218	Business Activities	Russell Square Housing Limited Partnership	Total
<b><u>Assets</u></b>					
<b>Current assets</b>					
Cash and cash equivalents			\$10,565	\$248,660	\$279,034
Investments			2,607,221		3,190,874
Restricted cash			450	26,363	204,779
Accounts receivable - net			15,775	4,639	245,725
Interest receivable			15,911		16,932
Prepaid expenses and other assets			2,767	1,237	26,277
Intercompany balances			4,966		0
Inventories				199	12,069
<b>Total current assets</b>	\$0	\$0	2,657,655	281,098	3,975,690
<b>Non-current assets</b>					
<b>Capital assets</b>					
Land and improvements			735,576	500,103	1,898,979
Buildings			47,685	3,667,709	12,618,240
Equipment			1,466	159,566	666,436
Improvements				234,489	404,502
Construction in progress			55,182		70,882
	0	0	839,909	4,561,867	15,659,039
Accumulated depreciation			(27,214)	(145,869)	(5,693,757)
<b>Total capital assets, net of accumulated depreciation</b>	0	0	812,695	4,415,998	9,965,282
<b>Other non-current assets</b>					
Notes and mortgages receivable			1,436,606		1,436,606
Long-term intercompany balances			420,576	(420,576)	0
Other assets				9,435	9,735
<b>Total non-current assets</b>	0	0	2,669,877	4,004,857	11,411,623
<b>Total assets</b>	0	0	5,327,532	4,285,955	15,387,313
<b><u>Liabilities</u></b>					
<b>Current liabilities</b>					
Accounts payable			13,355	15,493	61,704
Accrued interest				3,769	3,769
Accrued compensated absences					43,056
Deferred revenue			81		6,777
Other current liabilities			3,529	21,400	99,479
Current portion long-term debt				2,215,000	2,215,000
<b>Total current liabilities</b>	0	0	16,965	2,255,662	2,429,785
<b>Non-current liabilities</b>					
Long-term debt				200,000	200,000
Other non-current liabilities					118,974
<b>Total non-current liabilities</b>	0	0	0	200,000	318,974
<b>Total liabilities</b>	0	0	16,965	2,455,662	2,748,759
<b><u>Net assets</u></b>					
Invested in capital assets, net of related debt			812,695	2,000,998	7,550,281
Unrestricted			4,497,872	(170,705)	5,088,273
<b>Total net assets</b>	\$0	\$0	\$5,310,567	\$1,830,293	\$12,638,554

See Independent Auditors' Report.

**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Combining Statements of Revenues, Expenses and Changes in Net Assets**  
Fiscal Year Ended September 30, 2004

	Low Rent 14.850	CDBG Grant 14.218	Section 8 Rental Voucher Program 14.871	Shelter + Care & S+C & Bridge 14.238	Capital Fund 14.872	Home Grant 14.239
<b><u>Operating revenues</u></b>						
Tenant revenue	\$371,587					
Other revenue	5,476		\$17,131	\$30		
<b>Total operating revenues</b>	<b>377,063</b>	<b>\$0</b>	<b>17,131</b>	<b>30</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Operating expenses</u></b>						
Administrative expenses	254,073		451,033	32,460	225,632	
Tenant services	5,612		70,979			
Utility expense	129,644					
Ordinary maintenance and operation	232,822				230,384	
General expenses	77,671		15,985			
Extraordinary maintenance						
Protective services	4,527					
Housing assistance payments			3,571,766	293,992		
Depreciation and amortization expense	409,393		4,173		40,210	
<b>Total operating expenses</b>	<b>1,113,742</b>	<b>0</b>	<b>4,113,936</b>	<b>326,452</b>	<b>496,226</b>	<b>0</b>
<b>Operating income (loss)</b>	<b>(736,679)</b>	<b>0</b>	<b>(4,096,805)</b>	<b>(326,422)</b>	<b>(496,226)</b>	<b>0</b>
<b><u>Nonoperating revenues (expenses)</u></b>						
HUD PHA grants	279,887		4,079,694	326,422	515,152	
Other grants		68,243				500,000
Investment income	5,346		200			
Interest Expense						
Gain (loss) on disposition of assets	(109)					
<b>Total nonoperating revenues (expenses)</b>	<b>285,124</b>	<b>68,243</b>	<b>4,079,894</b>	<b>326,422</b>	<b>515,152</b>	<b>500,000</b>
<b>Income (loss) before contributions and transfers</b>	<b>(451,555)</b>	<b>68,243</b>	<b>(16,911)</b>		<b>18,926</b>	<b>500,000</b>
Capital contributions to Russell Square						
<b>Net income (loss)</b>	<b>(451,555)</b>	<b>68,243</b>	<b>(16,911)</b>	<b>0</b>	<b>18,926</b>	<b>500,000</b>
Net assets, beginning of year	5,076,497		203,459	0	217,738	0
Net assets, end of year	<b>\$4,624,942</b>	<b>\$68,243</b>	<b>\$186,548</b>	<b>\$0</b>	<b>\$236,664</b>	<b>\$500,000</b>

See Independent Auditors' Report.

MISSOULA HOUSING AUTHORITY  
Missoula, Montana

Combining Statements of Revenues, Expenses and Changes in Net Assets  
Fiscal Year Ended September 30, 2004

	VA Grant 64,024	Business Activities	Russell Square Business Activities	IDC	Total
<b><u>Operating revenues</u></b>					
Tenant revenue		\$11,159	\$336,766		\$719,512
Other revenue		6,867			29,504
<b>Total operating revenues</b>	<b>\$0</b>	<b>18,026</b>	<b>336,766</b>	<b>\$0</b>	<b>749,016</b>
<b><u>Operating expenses</u></b>					
Administrative expenses		134,103	58,956	3,457	1,159,714
Tenant services		6,668	996		84,255
Utility expense		34,193	25,536		189,373
Ordinary maintenance and operation		10,832	26,979		501,017
General expenses		23,123	26,563	198	143,540
Extraordinary maintenance					0
Protective services		54,697			59,224
Housing assistance payments		0			3,865,758
Depreciation and amortization expense		2,497	161,077		617,350
<b>Total operating expenses</b>	<b>0</b>	<b>266,113</b>	<b>300,107</b>	<b>3,655</b>	<b>6,620,231</b>
<b>Operating income (loss)</b>	<b>0</b>	<b>(248,087)</b>	<b>36,659</b>	<b>(3,655)</b>	<b>(5,871,215)</b>
<b><u>Nonoperating revenues (expenses)</u></b>					
HUD PHA grants					5,201,155
Other grants	262,382	288			830,913
Investment income		82,044	203		87,793
Interest Expense			(92,615)		(92,615)
Gain (loss) on disposition of assets		(165,088)			(165,197)
<b>Total nonoperating revenues (expenses)</b>	<b>262,382</b>	<b>(82,756)</b>	<b>(92,412)</b>	<b>0</b>	<b>5,862,049</b>
<b>Income (loss) before contributions and transfers</b>	<b>262,382</b>	<b>(330,843)</b>	<b>(55,753)</b>	<b>(3,655)</b>	<b>(9,166)</b>
Capital contributions to Russell Square			134,483		134,483
<b>Net income (loss)</b>	<b>262,382</b>	<b>(330,843)</b>	<b>78,730</b>	<b>(3,655)</b>	<b>125,317</b>
Net assets, beginning of year	0	5,310,567	1,830,293		12,638,554
<b>Net assets, end of year</b>	<b>\$262,382</b>	<b>\$4,979,724</b>	<b>\$1,909,023</b>	<b>(\$3,655)</b>	<b>\$12,763,871</b>

See Independent Auditors' Report.

**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Combining Statements of Revenues, Expenses and Changes in Net Assets**  
Fiscal Year Ended September 30, 2003

	Low Rent 14.850	Section 8 Rental Voucher Program 14.871	Shelter + Care & S+C Bridge 14.238	CIAP 14.852	Capital Fund 14.872	Public Housing Drug Elimination Program 14.854
<b><u>Operating revenues</u></b>						
Tenant revenue	\$379,622					
Other revenue	3,424	\$20,174	\$20			
<b>Total operating revenues</b>	<b>383,046</b>	<b>20,174</b>	<b>20</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Operating expenses</u></b>						
Administrative expenses	237,901	500,226	28,951		127,216	567
Tenant services	1,521					6,681
Utility expense	123,299	2,300				
Ordinary maintenance and operation	210,885				179,558	
General expenses	64,967	13,453	690		4,111	
Extraordinary maintenance	10,433					
Protective services						435
Housing assistance payments		3,365,221	362,785			
Depreciation expense	429,553	4,826			31,737	
<b>Total operating expenses</b>	<b>1,078,559</b>	<b>3,886,026</b>	<b>392,426</b>	<b>0</b>	<b>342,622</b>	<b>7,683</b>
<b>Operating income (loss)</b>	<b>(695,513)</b>	<b>(3,865,852)</b>	<b>(392,406)</b>	<b>0</b>	<b>(342,622)</b>	<b>(7,683)</b>
<b><u>Nonoperating revenues (expenses)</u></b>						
HUD PHA grants	296,543	3,868,175	392,404		357,133	7,683
Other grants						
Investment income	7,328	1,404				
Interest expense						
Gain (loss) on sale of assets	(6,197)					
<b>Total nonoperating revenues (expenses)</b>	<b>297,674</b>	<b>3,869,579</b>	<b>392,404</b>	<b>0</b>	<b>357,133</b>	<b>7,683</b>
<b>Income (loss) before contributions and transfers</b>	<b>(397,839)</b>	<b>3,727</b>	<b>(2)</b>	<b>0</b>	<b>14,511</b>	<b>0</b>
Intercompany transfers						
Capital contributions to Russell Square						
<b>Net income (loss)</b>	<b>(397,839)</b>	<b>3,727</b>	<b>(2)</b>	<b>0</b>	<b>14,511</b>	<b>0</b>
Net assets, beginning of year	5,204,934	199,732	2	269,402	203,227	
Residual equity transfer	269,402			(269,402)		
<b>Net assets, end of year</b>	<b>\$5,076,497</b>	<b>\$203,459</b>	<b>\$0</b>	<b>\$0</b>	<b>\$217,738</b>	<b>\$0</b>

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**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Combining Statements of Revenues, Expenses and Changes in Net Assets**  
Fiscal Year Ended September 30, 2003

	Community Development Block Grant 14.218	Business Activities	Russell Square Housing Limited Partnership	Total
<b><u>Operating revenues</u></b>				
Tenant revenue		\$9,966	\$206,404	\$595,992
Other revenue		11,281	13,913	48,812
<b>Total operating revenues</b>	<b>\$0</b>	<b>21,247</b>	<b>220,317</b>	<b>644,804</b>
<b><u>Operating expenses</u></b>				
Administrative expenses	1,212	111,967	69,797	1,077,837
Tenant services			353	8,555
Utility expense		5,364	22,516	153,479
Ordinary maintenance and operation		5,646	28,930	425,019
General expenses		2,753	20,448	106,422
Extraordinary maintenance				10,433
Protective services		44,808		45,243
Housing assistance payments				3,728,006
Depreciation expense		3,383	145,868	615,367
<b>Total operating expenses</b>	<b>1,212</b>	<b>173,921</b>	<b>287,912</b>	<b>6,170,361</b>
<b>Operating income (loss)</b>	<b>(1,212)</b>	<b>(152,674)</b>	<b>(67,595)</b>	<b>(5,525,557)</b>
<b><u>Nonoperating revenues (expenses)</u></b>				
HUD PHA grants				4,921,938
Other grants	6,027			6,027
Investment income		89,553	81	98,366
Interest expense		(2,621)	(67,743)	(70,364)
Gain (loss) on sale of assets				(6,197)
<b>Total nonoperating revenues (expenses)</b>	<b>6,027</b>	<b>86,932</b>	<b>(67,662)</b>	<b>4,949,770</b>
<b><u>Income (loss) before</u></b>				
<b>contributions and transfers</b>	<b>4,815</b>	<b>(65,742)</b>	<b>(135,257)</b>	<b>(575,787)</b>
Intercompany transfers	(4,815)	4,815		0
Capital contributions to Russell Square			432,450	432,450
<b>Net income (loss)</b>	<b>0</b>	<b>(60,927)</b>	<b>297,193</b>	<b>(143,337)</b>
Net assets, beginning of year		5,371,494	1,533,100	12,781,891
Residual equity transfer				0
<b>Net assets, end of year</b>	<b>\$0</b>	<b>\$5,310,567</b>	<b>\$1,830,293</b>	<b>\$12,638,554</b>

See Independent Auditors' Report.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Annual Contribution Contract DEN-3332-03V**  
**Project MT033VOA0690F09**  
**Computation of Annual Contribution Earned, Project**  
**Account Change and Operating Reserve Change**  
**Fiscal Year Ended September 30, 2004**

**Maximum Annual Contributions Available**

Maximum annual contributions commitment	<u>\$4,080,214</u>
Maximum annual contribution for fiscal year	\$4,080,214
Project account balance at beginning of fiscal year	<u>97,508</u>
<b>Total Annual Contribution Available</b>	<b><u>4,177,722</u></b>

**Annual Contribution Required**

On-going administrative fees earned	423,071
Housing assistance payments	3,571,766
Hard-to-house fees	6,600
Independent public accountant audit cost	7,440
FSS coordinator	<u>70,979</u>
<b>Total of Funds Required</b>	<b><u>4,079,856</u></b>

**Annual Contribution Earned - Lesser of Contribution Available or Funds Required**

**\$4,079,856**

**Operating Reserve Change**

Operating income	\$17,331
Annual contribution earned	<u>4,079,856</u>
<b>Total Operating Receipts</b>	<b>4,097,187</b>

Operating expenditures	<u>4,109,777</u>
<b>Net Operating Receipts Available</b>	<b>(12,590)</b>
<b>Provision for Operating Reserve</b>	<b><u>(\$12,590)</u></b>

See Independent Auditors' Report.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Annual Contribution Contract DEN-2221**  
**Statement of Modernization Costs (Uncompleted)**  
**Fiscal Year Ended September 30, 2004**

Project Number	Funds Approved	Funds Advanced	Excess (Deficiency) of Funds Approved
MT06P03350102	\$514,503	\$248,909	\$265,594
MT06P03350103 & 203	492,904	146,052	346,852
MT06P03350104	475,978		475,978
	<u>\$1,483,385</u>	<u>\$394,961</u>	<u>\$1,088,424</u>

Project Number	Funds Advanced	Funds Expended	Excess (Deficiency) of Funds Advanced
MT06P03350102	\$248,909	\$299,927	(\$51,018)
MT06P03350103 & 203	146,052	149,412	(3,360)
MT06P03350104		8,539	(8,539)
	<u>\$394,961</u>	<u>\$457,878</u>	<u>(\$62,917)</u>

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**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Annual Contribution Contract DEN-2221**  
**Statement of Certification of Modernization Costs**  
**As of September 30, 2004**

1. The actual modernization costs are as follows:

<b>Annual Contributions Contract</b>	<b>Funds Approved</b>	<b>Funds Advanced</b>	<b>Funds Expended</b>	<b>Excess (Deficiency) of of Funds Advanced</b>
MT06P03350101	\$526,336	\$526,336	\$526,336	\$0

2. The distribution of cost by project as shown on the final statement of Modernization Cost accompanying the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the Housing Authority records.
3. Per Housing Authority management, all of the above modernization costs and related liabilities have been discharged through payment.

See Independent Auditors' Report.

**MISSOULA HOUSING AUTHORITY**  
Missoula, Montana

**Schedule of Expenditures of Federal Awards**  
Fiscal Year Ended September 30, 2004

Federal Grantor/Program Title	CFDA Number	Program or Award Amount	Reserve Transfers/ Adjustments	Program Expenditures
<b><u>U.S. Department of Housing and Urban Development</u></b>				
<b>Direct programs:</b>				
Operating Subsidy	14.850A	\$279,887		\$279,887
Housing Choice Vouchers	14.871	\$3,725,407		
Housing Choice Vouchers	14.871	\$4,080,214	\$12,590	4,109,777
Capital Fund Program - 101	14.872	\$526,336		38,821
Capital Fund Program - 102	14.872	\$514,503		282,646
Capital Fund Program - 103	14.872	\$410,994		149,412
Capital Fund Program - 104	14.872	\$475,978		8,539
Capital Fund Program - 203	14.872	\$81,910		
Shelter Plus Care	14.238	\$259,680		120,724
Shelter Plus Care	14.238	\$264,000		108,044
Shelter Plus Care Bridge Grant	14.238	\$1,285,200		494
Shelter Plus Care Snap Grant	14.238	\$462,000	(5,139)	92,051
<b>Passed through the State of Montana</b>				
<b>Department of Commerce</b>				
Home Investment Partnerships	14.239	\$500,000		500,000
<b>Passed through the City of Missoula:</b>				
Community Development Block Grant	14.218	\$68,240		68,243
			7,451	5,758,638
<b><u>Department of Veterans Affairs</u></b>				
<b>Direct programs:</b>				
Veterans Affairs Homeless Providers Grant	64.024	\$989,364		262,382
<b>Total Federal Awards</b>			<b>\$7,451</b>	<b>\$6,021,020</b>

See Independent Auditors' Report and  
Notes to the Schedule of Expenditures of Federal Awards.

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**

**Notes to Supplementary Schedule of**  
**Expenditures of Federal Awards**  
**Fiscal Year Ended September 30, 2004**

**Note 1 – Basis of Accounting**

The accompanying schedule of expenditures of federal awards includes federal grant activity of Missoula Housing Authority and is presented in accordance with the accrual basis of accounting. The information in the schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note 2 – Loans Outstanding**

The Authority had no outstanding U.S. Department of Housing and Urban Development loan balances at September 30, 2004.

**Note 3 – Subrecipients**

Of the federal expenditures presented in the schedule, the Authority provided no federal awards to subrecipients.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

**Board of Commissioners  
Missoula Housing Authority  
Missoula, Montana**

We have audited the financial statements of the Missoula Housing Authority as of and for the year ended September 30, 2004, and have issued our report thereon dated January 14, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Missoula Housing Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be a material weaknesses.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Missoula Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 04-1.

**Missoula Housing Authority  
Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on  
an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards*  
Page 2**

This report is intended solely for the information and use of the Board of Directors and management of the Authority and applicable grantor agencies and is not intended to be and should not be used by anyone other than these specified parties.

JOSEPH EVE  
*Certified Public Accountants*

**Great Falls, Montana  
January 14, 2005**

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

**Board of Commissioners  
Missoula Housing Authority  
Missoula, Montana**

**Compliance**

We have audited the compliance of the Missoula Housing Authority with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended September 30, 2004. Missoula Housing Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Missoula Housing Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Authority's compliance with those requirements.

In our opinion, Missoula Housing Authority complied, in all material respects, with the requirements referred to above that were applicable to its major federal programs for the year ended September 30, 2004. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and is described in the accompanying schedule of findings and questioned costs as item 04-1.

**Internal Control over Compliance**

The management of the Missoula Housing Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Authority's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 04-1.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we believe finding 04-1 is not a material weakness.

This report is intended for the information and use of the Board of Directors and management of the Authority, and grantor agencies and is not intended to be and should not be used by anyone other than these specified parties.

*JOSEPH EVE  
Certified Public Accountants*

**Great Falls, Montana  
January 14, 2005**

**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**  
**Schedule of Findings and Questioned Costs**  
**Fiscal Year Ended September 30, 2004**

**1. Summary of Auditors' Results**

Financial Statements

Type of auditors' report issued: Unqualified

Internal Control over financial reporting:

- Material weakness(es) identified? \_\_\_ Yes    X No
- Reportable condition(s) identified that are not considered to be material weaknesses? \_\_\_ Yes    X None reported
- Noncompliance material to financial statements noted? \_\_\_ Yes    X No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_ Yes    X No
- Reportable condition(s) identified that are not considered to be material weaknesses? X Yes    \_\_\_ None reported

Type of auditors' report issued on compliance for major programs: Unqualified

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? X Yes    \_\_\_ No

Identification of major programs

<u>CFDA Number(s)</u>	<u>Federal Program</u>
14.871	Housing Choice Vouchers
14.872	Capital Fund Program
14.238	Shelter Plus Care
14.239	Home Investment Partnerships

Dollar threshold used to distinguish between type A and type B programs: \$300,000

- Auditee qualified as low-risk auditee? X Yes    \_\_\_ No
- Instances where results of audit follow-up procedures disclosed that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding? \_\_\_ Yes    X No



**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**  
**Schedule of Findings and Questioned Costs**  
**Year Ended September 30, 2004**

**2. Audit Findings in Relation to the Financial Statements - None**

**3. Audit Findings and Questioned Costs in Relation to Federal Awards**

**04-1 Payroll Testing**

***Federal program information:***

Funding agency: Department of Housing and Urban Development  
Title: Section 8 Vouchers, Shelter Plus Care, Capital Fund Program  
CFDA number: 14.871, 14.238, 14.872  
Award year and number: 10/1/03 – 9/30/04

***Criteria or Specific Requirement:*** Circular A-87, 11.h. (4) states, "Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity report or equivalent documentation which meets the standards in subsection 5 unless a statistical sampling system or other substitute system has been approved by the cognizant Federal agency." Subsection (5) states, "personnel activity reports must meet the following standards: (a) They must reflect after-the-fact distribution of the actual activity of each employee, (b) They must account for the total activity for which the employee is compensated, (c) they must be prepared at least monthly and must coincide with one or more pay periods, (d) They must be signed by the employee."

In addition, Subsection (5) (e) states, "Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, ...".

***Condition:*** Employees that worked for multiple Federal award programs and/or worked in Federal award programs and non-Federal award programs did not meet the requirements of Circular A-87 for support of wages and salaries charged to Federal award programs. Wage and salary expenditures were allocated to Federal programs based upon budget estimates.

***Questioned Costs:*** < \$10,000 – 14.871, < \$10,000 – 14.238, < \$10,000 – 14.872

***Context:*** All salary and wage expense is not being allocated according to Circular A-87 guidelines for employees that work in more than one program, both Federal and non-Federal.

***Effect:*** Missoula Housing Authority is not in compliance with Circular A-87.

***Auditors' Recommendations:*** The Missoula Housing Authority's personnel should review Circular A-87 and implement procedures to ensure future compliance with cost principles applicable to Federal programs.

Missoula Housing Authority response to Schedule of Findings and Questioned Costs  
Fiscal Year Ended September 30, 2004

**Finding 04-1 - Payroll Testing**

Corrective Action Plan:

Corrective action plan now in place. Employees at the Missoula Housing Authority who work on multiple activities now submit payroll timesheets that account for 100 percent of their time according to the activities worked. Timesheets are submitted bi-weekly, at the conclusion of each pay-period. The timesheets are signed by the employee.



**MISSOULA HOUSING AUTHORITY**  
**Missoula, Montana**  
**Summary Schedule of Prior Year Audit Findings**  
**Year Ended September 30, 2004**

There were no audit findings for the year ended September 30, 2003.

**ADMISSIONS & CONTINUED OCCUPANCY POLICY**

for the

**Missoula Housing Authority**

**PUBLIC HOUSING PROGRAM**



**Adopted by the Missoula Housing Authority  
Board of Commissioners**

**April 20, 2005**

Revision	Date

**ADMISSIONS & CONTINUED OCCUPANCY POLICY**

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## **ADMISSIONS & CONTINUED OCCUPANCY POLICY**

### **I. STATEMENT OF POLICIES AND OBJECTIVES**

#### **A. INTRODUCTION**

1. The Low Rent Public Housing Program was created by the U.S. Housing Act of 1937. Administration of the Public Housing Program and the functions and responsibilities of the Public Housing Authority (PHA) staff shall be in compliance with the PHA's Personnel Policy, this Admissions and Continued Occupancy Policy, and the requirements of the Department of Housing and Urban Development's (HUD's) Public Housing Regulations, Handbooks, and Notices, where applicable, as well as all Federal, State and local laws, including Fair Housing Laws and regulations. Changes in applicable federal law or regulations shall supersede provisions in conflict with this policy. Federal regulations shall include those found in Volume 24 CFR, Subpart A & B (Code of Federal Regulations).
2. In this document, the term "PHA" is used interchangeably with "HA" and "MHA."

#### **B. PURPOSE OF THE POLICY**

1. The purpose of this Admissions and Continued Occupancy Policy (ACOP) is to establish guidelines for the Housing Authority staff to follow in determining eligibility for admissions and continued occupancy. These guidelines are governed by the requirements of the Department of Housing and Urban Development (HUD) with latitude for local policies and procedures. These policies and procedures for admissions and continued occupancy are binding upon applicants, residents, and the MHA.
2. The original policy and any changes must be approved by the MHA Board of Commissioners, and required portions of this Plan will be provided to HUD.

#### **C. LOCAL OBJECTIVES**

1. This Admissions and Continued Occupancy Plan for the Public Housing Program is designed to achieve the following objectives:
  - a) To provide improved living conditions for extremely low, very low and low income families while maintaining their rent payments at an affordable level.
  - b) To operate a socially and financially sound public housing agency that provides drug-free, decent, safe, and sanitary housing with a suitable living environment for tenants and their families.
  - c) To avoid concentrations of economically and socially deprived families in any one or all of MHA's public housing developments.
  - d) To lawfully deny the admission of applicants, or the continued occupancy of residents, whose habits and practices reasonably may be expected to adversely affect

the health, safety, comfort or welfare of other residents or the physical environment of the neighborhood, or create a danger to MHA employees.

- e) To attempt to house a tenant body in each development that is composed of families with a broad range of incomes and rent-paying abilities that is representative of the range of incomes of low-income families in the MHA's jurisdiction.
- f) To promote upward mobility opportunities for families who desire to achieve self-sufficiency.
- g) To facilitate the judicious management of the MHA inventory, and the efficient management of the MHA staff.
- h) To ensure compliance with Title VI of the Civil Rights Act of 1964 and all other applicable Federal and State laws and regulations so that the admissions and continued occupancy are conducted without regard to race, color, national origin, disability, familial status, gender, religion, creed (state law), marital status (state law), or age (state law).

#### **D. NONDISCRIMINATION**

##### **1. Complying with Civil Rights Laws**

- a) Civil rights laws protect the rights of applicants and residents to equal treatment by the Housing Authority in the way it carries out its programs. It is the policy of the Housing Authority to comply with all Civil Rights laws, including but not limited to:
  - (i) Title VI of the Civil Rights Act of 1964, which forbids discrimination on the basis of race, color, religion, national origin or sex<sup>1</sup>;
  - (ii) Title VIII of the Civil Rights Act of 1968 (as amended by the 1974 HCDA and the Fair Housing Amendments Act of 1988), which extends protection against discrimination based on disability and familial status, and spells out forms of prohibited discrimination<sup>2</sup>;
  - (iii) Executive Order 11063;
  - (iv) Section 504 of the Rehabilitation Act of 1973, which describes specific housing rights of persons with disabilities<sup>3</sup>
  - (v) the Age Discrimination Act of 1975, which establishes certain rights of the elderly<sup>4</sup>;
  - (vi) Title II of the Americans with Disabilities Act of 1990 (ADA) requires that the PHA provide individuals with disabilities with access to its programs, services and activities including common areas and public spaces. However, Title II does not require that individual housing units be accessible to



individuals with disabilities; rather, Section 504 and the Fair Housing Act govern access for individuals with disabilities to the PHA's housing units;

- (vii) any applicable State laws or local ordinances, and
  - (viii) any legislation protecting the individual rights of tenants, applicants or staff that may subsequently be enacted<sup>5</sup>.
- b) The MHA shall not discriminate because of race, color, national origin, disability, familial status, gender, religion, creed, marital status, or age in the leasing, rental, occupancy, use, or other disposition of housing or related facilities, including land, that is part of any project or projects under the MHA's jurisdiction covered by a public housing Annual Contributions Contract with HUD.
- c) Posters and housing information are displayed in locations throughout the MHA's office in such a manner as to be easily readable from a wheelchair.
- d) The MHA office and select residential properties are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by Montana Relay Service at 1-877-253-4613.
- e) MHA shall not, on account of race, color, national origin, disability, familial status, gender, religion, creed, marital status, or age
- (i) Deny anyone the opportunity to apply for housing (when the waiting list is open), nor deny to any qualified applicant the opportunity to lease housing suitable to its needs;
  - (ii) Provide anyone housing that is different (of lower quality) from that provided others<sup>i</sup>;
  - (iii) Subject anyone to segregation or disparate treatment;
  - (iv) Restrict anyone's access to any benefit enjoyed by others in connection with the housing program;
  - (v) Treat anyone differently in determining eligibility or other requirements for admission;
  - (vi) Deny anyone access to the same level of services; or
  - (vii) Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program.

---

<sup>i</sup> MHA is not only permitted but is required to provide persons with disabilities with housing that is appropriate for their needs. This accessible or adaptable housing, although different from that provided to others, is permitted because it permits persons with disabilities to participate in the public housing program.

- f) MHA shall not automatically deny admission to otherwise qualified applicants because of their membership in some group to which negative behavior may be imputed (e.g., homeless persons, families on welfare). Instead, each applicant who is a member of a particular group will be treated as an individual based on his or her attributes and behavior<sup>6</sup>.
- g) MHA will correct situations or procedures that create a barrier to equal housing opportunity for all. To permit people with disabilities to take full advantage of MHA's housing programs and non-housing programs, in accordance with Section 504, and the Fair Housing Amendments Act of 1988, there are requirements, optional actions and prohibitions:
- (i) MHA **must** , upon request by an applicant or resident with a disability,
- ◆ make structural modifications to its housing and non-housing facilities<sup>7</sup> and
  - ◆ make reasonable accommodations in its procedures or practices<sup>8</sup> **unless** such structural modifications or reasonable accommodations would result in an undue financial<sup>ii</sup> and administrative burden on the Authority<sup>9</sup>, or
  - ◆ would result in a fundamental alteration in the nature of the program.
- (ii) In making structural modifications to "Existing housing programs"<sup>10</sup> or in carrying out "Other Alterations"<sup>11</sup> for otherwise qualified persons with disabilities, MHA **may**, but is not required to:
- ◆ make each of its existing facilities accessible<sup>12</sup>; or
  - ◆ make structural alterations when other methods can be demonstrated to achieve the same effect<sup>13</sup>;
  - ◆ make structural alterations that require the removal or altering of a load-bearing structural member<sup>14</sup>;
  - ◆ provide an elevator in any multifamily housing project solely for the purpose of locating accessible units above or below the grade level<sup>15</sup>.
- (iii) When MHA is making "Substantial Alterations"<sup>iii</sup> to an existing housing facility MHA **may**, but is not required to:
- ◆ provide an elevator in any multifamily housing project solely for the purpose of locating accessible units above or below the grade level<sup>16</sup>;
  - ◆ make structural alterations that require the removal or altering of a load-bearing structural member<sup>17</sup>; or
  - ◆ make structural alterations to meet minimum accessibility requirements where it is structurally impracticable<sup>iv</sup> also.<sup>18</sup>

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<sup>ii</sup> Considering all the PHA's sources of revenue, including both operating and capital funds.

<sup>iii</sup> Defined in 24 CFR § 8.23 as Comprehensive Modernization or work in developments with 15+ units, work whose value exceeds 75% of the replacement cost of the facility.

<sup>iv</sup> Structural impracticability is defined as: Changes having little likelihood of being accomplished without removing or altering a load-bearing structural member and/or incurring an increased cost of 50% or more of the value of the element of the building or facility involved.

- (iv) Note that the undue burdens test is not applicable to housing undergoing substantial alteration.
  
- h) MHA will not permit these policies to be subverted to do personal or political favors. MHA will not offer units in an order different from that prescribed by this policy, since doing so violates the policy, federal law, and the civil rights of the other families on the waiting list<sup>19</sup>.

**E. MAKING PROGRAMS AND FACILITIES ACCESSIBLE TO PEOPLE WITH DISABILITIES**

1. Facilities and programs used by residents will be accessible to a person in a wheelchair. Application and management offices, hearing rooms, community centers, day care centers, laundry facilities, craft and game rooms, etc. (to the extent that MHA has such facilities) will be usable by residents with a full range of disabilities. To the extent that the MHA offers such facilities, if none is already accessible, some <sup>v</sup>will be made so, subject to the undue financial and administrative burden test<sup>20</sup>.
  
2. Documents used by applicants and residents will be accessible for those with vision or hearing impairments<sup>21</sup>. Also, all documents will be written simply and clearly to enable applicants with learning or cognitive disabilities to understand as much as possible. Unless prohibited by local law, documents may be translated into languages other than English<sup>vi</sup>.
  
3. MHA will present examples to help applicants and residents understand eligibility, rent computation, applicant screening, reasonable accommodations, and lease compliance. In writing materials for applicants and residents, MHA staff will be prepared to explain rules and benefits verbally, as often as may be needed, because some disabilities may affect an applicant's ability to read or understand<sup>22</sup>.
  
4. When MHA has initial contact with the applicant, MHA staff will ask whether the applicant requires an alternate form of communication. Examples of alternative forms of communication might include, but are not limited to: a qualified sign language interpreter provided for and paid for by the MHA; having written materials explained orally by staff either in person or by telephone; provision of written materials in large/bold font; information on audiocassette; permitting applicants to file applications by mail; and, permitting alternative sites for the receipt of applications<sup>23</sup>. In addition, MHA's obligation to provide alternative forms of communication to persons with disabilities does not preclude an individual's right to have a friend, relative or advocate accompany him/her for purposes of conducting business with the MHA.

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<sup>v</sup> It is not required that all public and common areas be made accessible so long as persons with disabilities have full access to all the types of facilities and activities available to persons without disabilities. Thus, not all laundry facilities need to be accessible so long as there are sufficient accessible laundry facilities for use by persons with disabilities at each development that provides laundry facilities.

<sup>vi</sup> 24 CFR § 5.505 requires that any notice or document relative to citizen or eligible immigration status, where feasible, be provided to an applicant or tenant in a language that is understood by the individual if the individual is not proficient in English. In general, documents will be translated when there are sufficient numbers of applicants or residents speaking a language to warrant the expense.

5. Some applicants will not be able to read (or to read English), so admissions staff must be prepared to read and explain anything that they would normally hand to an applicant to be read or filled out. Applicants who read or understand little English may furnish an interpreter who can explain what is going on. MHA is not required to pay the costs associated with having a foreign language interpreter (as they are for a sign language interpreters for the hearing impaired<sup>24</sup>) because the Fair Housing law makes no such requirement.
6. At a minimum, MHA will prepare information to be used by applicants and residents in plain-language accessible formats.

#### **F. PRIVACY RIGHTS**

1. Applicants and participants, including all adults in their households, are required to sign the form HUD-9886 "Authorization for Release of Information and Privacy Act Notice." This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information.
2. The MHA's policy regarding release of information is in accordance with State and local laws which may restrict the release of family information.
3. Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept confidential. This personal information must not be released except on an "as needed" basis in cases where an accommodation is under consideration.
4. The MHA's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location which is only accessible by authorized staff.
5. MHA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action, up to and including termination.

#### **G. POSTING OF REQUIRED INFORMATION**

1. The MHA will maintain a bulletin board in an accessible area of the lobby which will contain:
  - a) Statement of policies and procedures governing Admission and Continued Occupancy Policy (ACOP).
  - b) Open Occupancy Notice (Status of application taking)
  - c) Directory of the MHA's housing sites including names, address of offices, number of units by bedroom size, accessible or adaptable units, and office hours
  - d) Income limits for Admission
  - e) Current schedule of routine maintenance charges
  - f) A copy of the rental agreement

- g) MHA's grievance procedures
- h) A Fair Housing Poster
- i) An Equal Opportunity in Employment poster
- j) Current Resident Notices
- k) Security Deposit Charges
- l) Rent Ranges
- m) The availability of Federal, ranking, or local preferences

## **H. TERMINOLOGY**

1. The Missoula Housing Authority is referred to as "PHA" or "MHA" or "Housing Authority" throughout this document.
2. "Family" is used interchangeably with "Applicant," "Resident" or "Participant" and can refer to a single-person family.
3. "Tenant" is used to refer to participants in terms of their relation as a lessee to the MHA as the landlord.
4. "Landlord" refers to the MHA.
5. "Disability" is used where "handicap" was formerly used.
6. "Noncitizens Rule" refers to the regulation effective June 19, 1995, restricting assistance to U.S. citizens and eligible immigrants.
7. See Definitions of Terms for other terminology.

## **II. ELIGIBILITY FOR ADMISSION AND PROCESSING OF APPLICATIONS**

### **A. AFFIRMATIVE MARKETING**

1. MHA will conduct affirmative marketing as needed so the waiting list includes a mix of applicants with races, ethnic backgrounds, ages and disabilities proportionate to the mix of those groups in the eligible population of the area. The marketing plan will take into consideration the number and distribution of vacant units, units that can be expected to become vacant because of move-outs, and characteristics of families on the waiting list. MHA will review these factors regularly to determine the need for and scope of marketing efforts. All marketing efforts will include outreach to those least likely to apply<sup>25</sup>.
2. Marketing and informational materials will:
  - a) Comply with Fair Housing Act requirements on wording, logo, size of type, etc.;
  - b) Describe the housing units, application process, waiting list and preference structure accurately;

- c) Use clear and easy to understand terms and more than strictly English-language print media;
- d) Contact agencies that serve potentially qualified applicants least likely to apply (e.g. the disabled) to ensure that accessible/adaptable units are offered to applicants who need their features;
- e) Make clear who is eligible: low income individuals and families; working and nonworking people; and people with both physical and mental disabilities; and
- f) Be clear about MHA's responsibility to provide reasonable accommodations to people with disabilities.

**B. QUALIFYING FOR ADMISSION**

1. It is MHA's policy to admit **only** qualified applicants<sup>vii</sup>.
2. An applicant is qualified if he or she meets all of the following criteria:
  - a) Is a family, defined as:
    - (i) Two or more persons (with or without children) regularly living together, related by blood, marriage, adoption, guardianship or operation of law who will live together in PHA housing; OR
    - (ii) Two or more persons who are not so related, but are regularly living together, can verify shared income or resources who will live together in PHA housing.
    - (iii) Elderly family - A family whose head or spouse (or sole member) is at least 62 years of age. It may include two or more elderly persons living together, and one or more such persons living with one or more persons, including live-in aides, determined to be essential to the care and well-being of the elderly person or persons. An elderly family may include elderly persons with disabilities and other family members who are not elderly. [24 CFR § 5.403]
    - (iv) Near elderly family - means a family whose head, spouse, or sole member is a near-elderly person (at least 50 but less than 62 years of age), who may be a person with a disability. The term includes two or more near-elderly persons living together, and one or more such persons living with one or more persons who are determined to be essential to the care or well-being of the near-elderly person or persons. A near-elderly family may include other family members who are not near-elderly. [24 CFR § 5.403]

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<sup>vii</sup> The term "qualified" refers to applicants who are eligible and able to meet the applicant selection standards. This term is taken from the 504 regs: 24 CFR § 8.3 Definition of qualified individual with a disability. In order to be eligible, a family must meet four tests: (1) they must meet MHA's definition of family; (2) have an Annual Income at or below program guidelines; (3) each family member, age 6 or older, must provide a social security number or certify that he/she has no number; and (4) each family member receiving assistance must be a citizen or non-citizen with eligible immigration status per 24 CFR § 5.500.

- (v) Disabled family - A family whose head, spouse or sole member is a person with disabilities. (Person with disabilities is defined later in this section.) The term includes two or more persons with disabilities living together, and one or more such persons living with one or more persons including live-in aides determined to be essential to the care and well-being of the person or persons with disabilities. A disabled family may include persons with disabilities who are elderly. [24 CFR § 5.403]
  - (vi) Displaced Person - A person displaced by government action or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise recognized pursuant to Federal disaster relief laws. This definition is used for eligibility determinations only. It should not be confused with the former Federal preference for involuntary displacement. [(42 USC 1437a(b)(3)]
  - (vii) Single Person - A person who is not an elderly person, a person with disabilities, a displaced person, or the remaining member of a resident family.
  - (viii) Remaining member of a tenant family.
  - (ix) A foster care arrangement, or a kinship care arrangement.
  - (x) Other persons, including members temporarily absent (e.g. a child temporarily placed in foster care), may be considered a part of the applicant family's household if they are living or will live regularly with the family. [24 CFR §§ 5 and 960]
  - (xi) Live-in Aides may also be considered part of the applicant family's household. However, live-in aides are not *family* members and have no rights of tenancy or continued occupancy.
  - (xii) Foster Care Arrangements include situations in which the family is caring for a foster adult, child or children in their home who have been placed there by a public child placement agency, or a foster adult or adults placed in the home by a public adult placement agency.
  - (xiii) For purposes of continued occupancy: the term family also includes the remaining member of a resident family with the capacity to execute a lease.
- b) Meets HUD requirements on citizenship or immigration status<sup>26</sup>;
  - c) Has an Annual Income (as defined in Section XII of this document) at the time of admission that does not exceed the income limits (maximum incomes by family size established by HUD) posted in the MHA offices.
  - d) Provides documentation of Social Security numbers for family members age 6 or older, or certifies that they do not have Social Security numbers<sup>27</sup>;

- e) Attends a required applicant orientation session, or for applicants who are disabled or out of town , by the method most suited to the applicant's circumstances; which may include by telephone, first class mail, or home visit;
- f) Meets the Applicant Selection Criteria in Section II K. of these policies<sup>28</sup>.

**C. ESTABLISHING AND MAINTAINING THE WAITING LIST**

1. It is the policy of MHA to administer its waiting list as required by HUD's regulations.
2. Opening and Closing Waiting Lists
  - a) For any unit size or type, if MHA's waiting list has sufficient applications to fill anticipated vacancies for the coming 12 months, MHA may elect to: (a) close the waiting list completely; (b) close the list during certain times of the year; or (c) restrict intake by preference, type of project, or by size and type of dwelling<sup>29</sup>.
  - b) A decision to close the waiting list will consider the number of applications for each size and type of unit, the number of applicants who qualify for a preference, and the ability of MHA to house applicants in twelve to eighteen months. Decisions to close waiting lists, restrict intake, or open waiting lists will be publicly announced.
  - c) When the waiting list is closed, MHA will not maintain a list of individuals who wish to be notified when the waiting list is re-opened.
3. Determining if the Waiting List may be Closed
  - a) MHA will use its **Procedure on Opening and Closing the Waiting List**<sup>viii</sup> to determine whether the waiting list(s) should be closed.
4. Updating the Waiting List
  - a) Once each year MHA will update each waiting list sublist by contacting all applicants in writing<sup>ix</sup>.
  - b) If, after two attempts in writing<sup>x</sup>, no response is received, MHA will withdraw the name of an applicant from the waiting list.
  - c) At the time of initial intake, MHA will advise families that they must notify MHA in writing when their circumstances, mailing address or phone numbers change.

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<sup>viii</sup> This policy refers to written procedures that cover, in this case, the closing of the waiting list. References to other administrative procedures are made periodically in the text of this policy. These procedures are separate documents that describe the work steps necessary to implement the policy made in this document.

<sup>ix</sup> Or by the method designated at initial application by applicants with disabilities.

<sup>x</sup> Both written communications will be sent by first class mail.



- d) MHA will remove an applicant's name from the waiting list only in accordance with its **Procedure on Updating the Waiting List and Removing Applications**.
5. Change in Preference Status While on the Waiting List
- a) Situations of some families who did not qualify for a local or ranking preference when they applied may change so they are qualified for a preference. The family should contact MHA so their status may be recertified or reverified. Applicants whose preference status changes while they are on the waiting list retain their original date and time of application, or application number, as applicable.
  - b) If MHA determines that the family does now qualify for a preference, they will be moved up on the waiting list in accordance with their preference(s) and their date and time of application. They will then be informed in writing of how the change in status has affected their place on the waiting list.

**D. PROCESSING APPLICATIONS FOR ADMISSION**

- 1. MHA will accept and process applications in accordance with applicable HUD Regulations and MHA's **Procedure on Taking Applications and Initial Processing**. MHA will assume that the facts certified to by the applicant in the preliminary application are correct, although all those facts will be verified later in the full application process.
- 2. Interviews and Verification Process
  - a) As applicants approach the top of the waiting list, they will be contacted and asked to come to the MHA office for an interview to complete their applicant file. Applicants who fail to attend their scheduled interview or who cannot be contacted to schedule an interview will have their applications withdrawn in accordance with MHA's **Procedure on Full Application Interviews**, subject to reasonable accommodations for people with disabilities.
  - b) The following items will be verified according to MHA's **Procedure on Verification**, to determine qualification for admission to MHA's housing:
    - (i) Family composition and type (Elderly/Disabled/near elderly /non-elderly);
    - (ii) Annual Income;
    - (iii) Assets and Asset Income;
    - (iv) Deductions from Income;
    - (v) Preferences;
    - (vi) Social Security Numbers of all Family Members;
    - (vii) Applicant Screening Information; and
    - (viii) Citizenship or eligible immigration status.
  - c) UIV (upfront income verification), also called EIV (Enterprise Income Verification), is the preferred method of verification. When UIV is not available, third party written verification is the required form of documentation to substantiate applicant

or resident claims. If attempts to obtain third party written verification are unsuccessful, MHA may also use (1) phone verifications with the results recorded in the file, dated, and signed by MHA staff, (2) review of documents, and, if no other form of verification is available, (3) applicant certification. Applicants must cooperate fully in obtaining or providing the necessary verifications.

- d) Verification of eligible immigration status shall be carried out pursuant to 24 CFR §5.5. Citizens are permitted to certify to their status.
- e) Applicants reporting zero income will be asked to complete a Certification of Zero Income form to document how much they spend on: food, transportation, health care, child care, debts, household items, etc. and what the source of income is for these expenses.
- f) MHA's applications for admission to public housing shall indicate for each application the date and time of application in accordance with MHA's **Procedure on Taking Applications and Initial Processing**; applicant's race and ethnicity; determination by MHA as to eligibility of the applicant; when eligible, the unit size(s) for which eligible; preference, if any; and the date, location, identification, and circumstances of each vacancy offered and accepted or rejected<sup>30</sup>.

#### **E. THE PREFERENCE SYSTEM**

- 1. An admission preference does not guarantee admission. Preferences establish the order of placement on the waiting list. Every applicant must still meet MHA's Selection Criteria before being offered a unit.
- 2. Factors other than preferences that affect selection of applicants from the waiting list<sup>31</sup>:
  - a) Before applying its preference system, MHA will match the characteristics of the available unit to the applicants available on the waiting list. Unit size, accessibility features, or type of project limit the admission of families to households whose characteristics "match" the vacant unit available.
  - b) By matching unit and family characteristics, families lower on the waiting list may receive an offer of housing before families with an earlier date and time of application or families with a higher preferences (e.g. the next unit available is an accessible unit and the only applicant family needing such features is in the non-preference pool, i.e. having no preference).
  - c) Factors other than the preference system that affect applicant selection are described below:
    - (i) When selecting a family for a unit with accessible features, MHA will give a preference to families that include persons with disabilities who can benefit from the unit's features. First preference will be given to existing tenant families seeking a transfer and second preference will be given to applicant families.

- (ii) If no family needing accessible features can be found for a unit with such features, MHA will house a family not needing the unit features, but a non-disabled family in an accessible unit will be required to move so that a family needing the unit features can take advantage of the unit.
  - (iii) When selecting a family for a unit in a property that houses elderly and disabled families (Mixed Population), as opposed to a general occupancy development that houses non-elderly families as well, MHA will give equal priority to elderly families and disabled families. At this time, MHA has one development at Vantage Villa that houses elderly and disabled families.
  - (iv) When selecting a family for a unit in housing designated for either elderly families, or disabled families, MHA will give a priority to elderly, disabled or near elderly families. At this time, MHA has no housing designated for only elderly or only disabled families.
  - (v) When selecting a single person at a Mixed Population development, elderly, disabled or displaced single persons have priority over other singles. Single applicants who are not elderly, disabled or displaced can only be admitted after all elderly or disabled families or single displaced persons have been offered units.
3. Preferences will be granted to applicants who are otherwise qualified and who, at the time of the unit offer (prior to execution of a lease), meet the definitions of the preferences described below.

#### **F. LOCAL PREFERENCES**

1. There is one local preference in effect based on ranges of income. Applicants will be grouped as follows:
2. **Tier I:** Families with incomes between 0% and 30% of area median income (this group **must** constitute at least 40% of all admissions in any year);
3. **Tier II:** Families with incomes between 31% and 80% of area median income (the target for this group is 60% of all admissions in any year).
4. General Occupancy and Mixed Population Buildings Local Preference
  - a) In addition to the Income Tier preference, which applies to all MHA's developments, MHA elects to retain the former Federal priority for single persons who are elderly, persons with disabilities, or persons displaced by governmental action over all other single persons when filling vacancies in all projects.
  - b) Elderly families and disabled families will receive equal priority for admission to Mixed Population units and all such will receive offers before single people who are not elderly, disabled or displaced.

- c) In General Occupancy projects, families of two or more persons, elderly, disabled, and displaced singles receive priority over all other single persons.
5. MHA will also offer units to existing residents on the transfer list. Some types of transfers are processed before new admissions and some types of transfers are processed with new admissions, using a ratio set forth in the Tenant Selection and Assignment Plan (TSAP). Transfers do not count toward the 40% Tier I requirement.
6. MHA will not hold units vacant for applicants with preferences, nor will it relax eligibility or screening criteria to admit otherwise unqualified applicants with preferences.

#### **G. INCOME TARGETING**

1. MHA will monitor its admissions to ensure that at least 40% of families admitted to public housing in each fiscal year shall have incomes that do not exceed 30% of area median income of the MHA's jurisdiction.
2. Hereafter families whose incomes do not exceed 30% of area median income will be referred to as "extremely low income families."
3. If admissions of extremely low income families to the Housing Choice Voucher Program exceed the 75% minimum targeting requirement in any fiscal year, the excess may be credited against the 40% minimum targeting requirement in the Public Housing Program, as described in 24 CFR §960.202(b)(2).
4. Credit for admissions to the Housing Choice Voucher Program shall never cause MHA's overall requirement for housing extremely low income families to drop below 30% of its annually available units.
  - a) This provision shall only be used if MHA is anticipated to fall short of its 40% goal for new admissions to public housing.
5. Low Income Family Admissions
  - a) Once MHA has met the 40% targeted income requirement for new admissions of extremely low-income families, the remainder of its new admission units will be filled with families whose incomes do not exceed 80% of the HUD approved area median income.

#### **H. DECONCENTRATION AND INCOME-MIXING GOALS**

1. The Missoula Housing Authority's admission policy is designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects.

2. MHA’s housing stock consists of 44 units of single, duplex, or triplex scattered site family housing, 41 units of elderly/disabled housing, and 83 units of multi-family housing on eight different sites.
  - a) All units of scattered site housing are located in census tracts where less than 30% of the families are below the poverty rate. These units are not addressed in this plan, as deconcentration of poverty and income-mixing are inherent to the nature and location of these units. The 41 units at Vantage Villa have been designated as elderly/disabled housing since inception and have retained that character, therefore these units are also excluded from the deconcentration plan.
  - b) MHA’s deconcentration and income-mixing plan will apply to the following multi-family sites:
 

(i)	100/920/102 Pullman	16 units
(ii)	712 Charlo	9 units
(iii)	1237/1320 Butte & 730 N. 6th	11 units
(iv)	805/811/936 Stoddard	9 units
(v)	1609/1613 Phillips	4 units
(vi)	1201/1205/1209 Toole	11 units
(vii)	931/933 S. 4th West	8 units
(viii)	5- 7/41-50 Russell Park	15 units
3. Gross annual income is used for income limits at admission and for income-mixing purposes.
4. Skipping of a family on the waiting list specifically to reach another family with a lower or higher income is not to be considered an adverse action to the family. Such skipping will be uniformly applied until deconcentration and income targeting goals are met.
5. The Missoula Housing Authority will gather data and analyze at least biannually the tenant characteristics of its public housing stock, including information regarding tenant incomes, to assist in the housing authority’s deconcentration efforts.
6. MHA’s goal is to have eligible families having higher incomes occupy dwelling units in projects predominantly occupied by eligible families having lower incomes, and eligible families having lower incomes occupy dwelling units in projects predominantly occupied by eligible families having higher incomes.
7. Admission policies related to the deconcentration efforts of the MHA do not impose specific quotas. Therefore, the MHA will not set specific quotas, but will strive to achieve deconcentration and income-mixing at the sites listed above.

## 8. Project Designation Methodology

- a) The MHA will review the annual resident income of all developments, and using the incomes of all families (excludes elderly/disabled units at Vantage Villa) as a baseline, determine the average income of all of its resident families.
- b) The MHA will designate higher income developments those with average income above the aggregate average.
- c) The MHA will designate lower income developments those with average income below the aggregate average.
- d) The MHA will determine and compare tenant incomes at the listed multi-family project sites. Upon analyzing its findings the MHA will apply the policies, measures and incentives listed below to bring higher income families into lower income developments and lower income families into higher income developments.
- e) Skipping of families for deconcentration and income targeting purposes will be applied uniformly to all families.
- f) When selecting applicant families and assigning transfers for a designated project the MHA will determine whether the selection of the family will contribute to the MHA's deconcentration goals.
- g) The MHA will not select families for a particular project if the selection will have a negative effect on the MHA's deconcentration goals. However, if there are insufficient families on the waiting list, or transfer list, under no circumstances will a unit remain vacant longer than necessary.

### **I. MHA INCENTIVES FOR HIGHER INCOME FAMILIES**

1. In addition to maintaining its public housing stock in a manner that is safe, clean, well landscaped and attractive, the MHA will offer the following incentives for higher income families moving into lower income projects.
  - a) The MHA will not take any adverse action against any higher income family declining an offer by MHA to move into a lower income project.
  - b) The MHA will allow occupancy standards of one child per bedroom for higher income families (above the aggregate average) to move into a lower income multi-family site.

### **J. ADMINISTRATION OF THE PREFERENCES**

1. Depending on the time an applicant may have to remain on the waiting list, MHA will either verify preferences at the time of application (when the waiting list is short or

- nonexistent) or require that applicants certify to their qualification for a preference at the time of pre-application (when the wait for admission exceeds four months). Verifying preferences is one of the earliest steps in processing applicants for admission. Preference verifications shall be no more than 120 days old at the time of certification.
2. MHA may use a pre-application to obtain the family's certification that it qualifies for a preference. The family will be advised to notify MHA in writing of any change that may affect their ability to qualify for a preference.
  3. Applicants that are otherwise eligible and self-certified as qualifying for a preference will be placed on the waiting list in the appropriate applicant pool.
  4. Notice and Opportunity for a Meeting<sup>32</sup>
    - a) If an applicant claims but does not qualify for a preference, the applicant can request a meeting:
      - (i) MHA will provide a notice that an applicant does not qualify for a preference containing a brief statement of the reasons for the determination, and that the applicant may meet with MHA's designee to review the determination.
      - (ii) If the applicant requests the meeting, MHA will designate someone to conduct the meeting. This can be the person who made the initial determination, the person who reviewed a determination made by his/her subordinate, or any other person chosen by the MHA. A written summary of this meeting shall be made and retained in the applicant's file.
      - (iii) The applicant will be advised that he/she may exercise other rights if the applicant believes that illegal discrimination, based on race, color, national origin, religion, age, disability, or familial status has contributed to MHA's decision to deny the preference.

**K. SCREENING APPLICANTS FOR ADMISSION**

1. All applicants shall be screened in accordance with HUD's regulations<sup>33</sup> and sound management practices. During screening, MHA will require applicants to demonstrate ability to comply with essential provisions of the lease as summarized below:
  - a) to pay rent and other charges (e.g. utility bills) as required by the lease in a timely manner;
  - b) to care for and avoid damaging the unit and common areas;
  - c) to use facilities and equipment in a reasonable way;
  - d) to create no health, or safety hazards, and to report maintenance needs in a timely manner;

- e) to respect the rights, property, and peaceful enjoyment of others;
  - f) not to engage in criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or staff; and not to engage in drug-related criminal activity; and
  - g) to comply with necessary and reasonable rules and program requirements of HUD and MHA.
2. How MHA will check ability to comply with essential lease requirements:
- a) Applicant ability and willingness to comply with the essential lease requirements will be checked and documented in accordance with MHA's **Procedure on Applicant Screening**. Applicant screening shall assess the conduct of the applicant and other family members listed on the application, in present and prior housing. Any costs incurred to complete the application process and screening will be paid by MHA.
  - b) The history of applicant conduct and behavior must demonstrate that the applicant family can reasonably be expected **not to**:
    - (i) interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare<sup>34</sup>;
    - (ii) Adversely affect the physical environment or financial stability of the project<sup>35</sup>;
    - (iii) Violate the terms and conditions of the lease<sup>36</sup>;
    - (iv) Require services from MHA staff that would alter the fundamental nature of MHA's program<sup>37</sup>.
  - c) MHA will conduct a detailed interview of all applicants using an interview checklist as a part of the screening procedures. The form will ask questions based on the essential elements of tenancy. Answers will be subject to third party verification<sup>38</sup>.
  - d) MHA will complete a credit check and a rental history check on all applicants.
  - e) Payment of funds owed to MHA or any other housing authority is part of the screening evaluation. MHA will reject an applicant for unpaid balances owed a Public Housing Agency by the applicant for any program that a PHA operates<sup>39</sup>.
  - f) MHA will complete a criminal background check on all adult applicants or any member for whom criminal records are available. Before MHA rejects an applicant on the basis of criminal history, the MHA must notify the household of the proposed rejection and provide the household member whose criminal history is at issue with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record<sup>40</sup>.
  - g) MHA will complete a home visit on all applicants that have passed criminal history screening and have incomplete or questionable landlord references to determine if



the applicant's housekeeping would create health or sanitation problems. Staff completing the home visit will consider whether the conditions they observe are the result of the applicant's treatment of the unit or are caused by the unit's overall substandard condition.

- h) Housekeeping criteria to be checked shall include, but not be limited to:
  - (i) Conditions in living room, kitchen (food preparation and clean-up), bathroom, bedrooms, entrance-ways, halls, and yard (if applicable);
  - (ii) Cleanliness in each room; and
  - (iii) General care of appliances, fixtures, windows, doors and cabinets.
- i) Other MHA lease compliance criteria will also be checked, such as:
  - (i) Evidence of destruction of property;
  - (ii) Unauthorized occupants;
  - (iii) Evidence of criminal activity; and
  - (iv) Conditions inconsistent with application information.
- j) All applicants shall have at least two days' advance written notice of Home Visits.
- k) MHA's examination of relevant information respecting past and current habits or practices will include, but is not limited to, an assessment of the applicant's adult family members':
  - (i) Past performance in meeting financial obligations, especially rent and utility bills<sup>41</sup>.
  - (ii) Record of disturbance of neighbors (sufficient to warrant a police call), destruction of property, or living or housekeeping habits that may adversely affect the health, safety, or welfare of other tenants or neighbors<sup>42</sup>.
  - (iii) History of criminal activity on the part of any applicant family member involving crimes of physical violence to persons or property or other criminal acts including drug-related criminal activity that would adversely affect the health, safety, or welfare of other residents or staff or cause damage to the unit or development<sup>43</sup>.
    - MHA may require an applicant to exclude a household member in order to be admitted if that household member has participated in or been culpable for criminal actions that warrant rejection;
    - MHA may, if a statute requires that the MHA prohibit admission for a prescribed period of time after some disqualifying behavior or event, choose to continue that prohibition for a longer period of time.

- (iv) A record of eviction from housing or involuntary termination from residential programs (taking into account date and circumstances).
  - (v) An applicant's ability and willingness to comply with the terms of MHA's lease<sup>44</sup>.
- l) MHAs **required** to reject the applications of certain applicants for criminal activity or drug abuse by household members:
- (i) MHA shall reject the application of any applicant for three years from the date of eviction if any household member has been evicted from any federally assisted housing for drug-related criminal activity. However, the MHA may admit the household if MHA determines that<sup>45</sup>:
    - The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by MHA, or
    - The circumstances leading to the eviction no longer exist (for example, the criminal household member has died or is imprisoned).
  - (ii) MHA is **required** to reject the application of a household if MHA determines that:
    - Any household member is currently engaging in illegal use of a drug<sup>xi</sup>; or
    - MHA has reasonable cause to believe that a household member's illegal use or pattern of illegal use of a drug may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents; or
    - Any household member has ever been convicted of manufacture or production of methamphetamine on the premises of any federally assisted housing; or
    - Any member of the household is subject to a lifetime registration requirement under a State sex offender registration program; or
    - Any member of the household's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents<sup>xii</sup>.

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<sup>xi</sup> For purposes of this section a household member is "currently engaged in" the criminal activity if the person has engaged in the behavior recently enough to justify a belief that the behavior is current.

<sup>xii</sup> MHA must be able to show a relationship between the applicant household member's abuse of alcohol and behavior that threatens the health, safety, or right to peaceful enjoyment of other residents.

- m) An applicant's intentional misrepresentation of information related to eligibility, preference for admission, housing history, allowances, family composition or rent will result in rejection. Unintentional mistakes that do not confer any advantage to the applicant will not be considered misrepresentations.
- n) Applicants must be able to demonstrate the ability and willingness to comply with the terms of MHA's lease, either alone or with assistance that they can demonstrate they will have at the time of admission.<sup>xiii</sup> Availability of assistance is subject to verification by MHA<sup>46</sup>.
- o) Screening applicants who claim mitigating circumstances.
  - (i) If negative information is received about an applicant, MHA shall consider the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct. To be considered, mitigating circumstances must be verifiable<sup>47</sup>.
  - (ii) Mitigating circumstances<sup>xiv</sup> are facts relating to the applicant's negative rental history or behavior, that, when verified, indicate: (1) the reason for the unsuitable rental history and/or behavior; and (2) that the reason for the unsuitable rental history and behavior is no longer in effect or is under control,**AND** applicant's prospect for lease compliance is an acceptable one, justifying admission. Mitigating circumstances would overcome or outweigh information already gathered in the screening process.
    - ◆ Examples of mitigating circumstances might include<sup>48</sup>:
      - Evidence of successful rehabilitation;
      - Evidence of the applicant family's participation in social service or other appropriate counseling service; or
      - Evidence of successful and sustained modification of previous disqualifying behavior.
  - (iii) If the applicant asserts that mitigating circumstances relate to a change in disability, medical condition or treatment, MHA shall refer such information to persons qualified to evaluate the evidence and verify the mitigating circumstance. MHA shall also have the right to request further information to verify the mitigating circumstance, even if such information is of a medically confidential nature. Such inquiries will be limited to the information necessary

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<sup>xiii</sup> Applicants whose landlord, financial, criminal and other references demonstrate that they are already willing and able to comply with lease terms in their existing housing will be considered to have met this criterion, whether or not they are disabled. Applicants whose housing situations make it difficult for MHA to determine whether or not they are able and willing to comply with lease terms (e.g. because they are homeless, are living with friends or relatives, or have other non-traditional housing circumstances) will have to demonstrate ability and willingness to comply with lease terms whether or not they are disabled.

<sup>xiv</sup> The discussion of mitigating circumstance in this paragraph is applicable to all applicants. MHA is required by regulation to consider mitigating circumstance, see 24 CFR §960.203(d)(1).

to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.

- (iv) Consideration of mitigating circumstances does not guarantee that applicant will qualify for admission. MHA will consider such circumstances in light of:
  - the applicant’s ability to verify the mitigating circumstances and prospects for improved future behavior;
  - the applicant’s overall performance with respect to all the screening requirements; and
  - the nature and seriousness of any criminal activity, especially drug related criminal activity that appears in the applicant’s record.

### 3. Qualified and Unqualified Applicants

- a) Verified information will be analyzed and a determination made with respect to:
  - (i) Eligibility of the applicant as a family<sup>49</sup>;
  - (ii) Eligibility of the applicant with respect to income limits for admission<sup>50</sup>;
  - (iii) Eligibility of the applicant with respect to citizenship or eligible immigration status<sup>51</sup>;
  - (iv) Unit size required for and selected by the family;
  - (v) Preference category (if any) to which the family is entitled<sup>52</sup>; and
  - (vi) Qualification of the applicant with respect to the Selection Criteria<sup>53</sup>.
- b) Qualified families will be notified by MHA of the approximate date of admission insofar as that date can be determined<sup>54</sup>, however the date stated by MHA is an estimate and does not guarantee that applicants can expect to be housed by that date.
- c) Unqualified applicants will be promptly notified by a Notice of Rejection from MHA, stating the basis for such determination and offering an opportunity for informal hearing (see **Procedure for Informal Hearing for Rejected Applicants**). Informal hearings for applicants are different from the resident grievance process. Applicants are not entitled to use of the resident grievance process<sup>55</sup>.
- d) Applicants known to have a disability that are eligible but fail to meet the Selection Criteria will be offered an opportunity for a second meeting to determine whether mitigating circumstances or reasonable accommodations will make it possible for them to be housed in accordance with the Screening Procedures.

## **L. OCCUPANCY GUIDELINES**

- 1. Units shall be occupied by families of the appropriate size. This policy maintains the usefulness of the units, while preserving them from excessive wear and tear and under-utilization.

**Minimum and Maximum-Number-of-Persons-Per Unit Standard**

<u>Number of Bedrooms</u>	<u>Min Persons/Unit (Largest Unit Size)</u>	<u>Max Persons/Unit (Smallest Unit Size)</u>
0BR	1	1
1BR	1	2
2BR	2	4
3BR	3	6
4BR	4	8
5BR	5	10

2. The following principles govern the size of unit for which a family will qualify. Generally, two people are expected to share each bedroom, except that units will be so assigned that:
- a) It will not be necessary for persons of different generations or opposite sex, other than husband and wife, to occupy the same bedroom, although they may do so at the request of the family.
  - b) Exceptions to the largest permissible unit size may be made in case of reasonable accommodations for a person with disabilities.
  - c) Two children of the opposite sex will not be required to share a bedroom, although they may do so at the request of the family.
  - d) A single pregnant woman may be assigned to a one or two bedroom unit, at the request of the applicant.
  - e) In determining unit size, MHA will count a minor child who is temporarily away from the home because the child has been placed in foster care, kinship care, or is away at school.
  - f) A single head of household parent shall not be required to share a bedroom with his/her child, although they may do so at the request of the family.
  - g) A live-in attendant may be assigned a bedroom. Single elderly or disabled residents with live-in attendants will be assigned one or two bedroom units.
  - h) HUD’s Housing Quality Standards Code of two persons per bedroom will be the standard for the smallest unit a family may be offered. Individual housing units with very small or very large bedrooms, high-density sites, characteristics of individual families or other specific situations that inhibit or encourage lower or higher levels of occupancy may be permitted to establish lower or higher occupancy levels so long as the occupancy levels will not discriminate on the basis of familial status.
    - (i) At the request of the family, a child under two may share a bedroom with two other household members.

- i) The largest unit size that a family may be offered would provide no more than one bedroom per family member, taking into account family size and composition.
- j) When a family applies for housing and when the waiting list is updated, some families will qualify for more than one unit size. These applicants may choose two waiting sublists where they wish to receive unit offers. Based on the family's choice, they will be placed on the appropriate waiting sublists by unit size.
- k) When a family is actually offered a unit, if they no longer qualify for the unit sizes where they were sublisted, they will be moved to the appropriate sublist, retaining their preferences and date and time of application. This may mean that they may have to wait longer for a unit offer.
- l) MHA shall change the family's sublist at any time while the family is on the waiting list at the family's written request.

### **III. TENANT SELECTION AND ASSIGNMENT PLAN**

#### **A. ORGANIZING THE WAITING LIST**

##### **1. Community-wide Waiting List**

- a) It is MHA's policy that each applicant shall be assigned his/her appropriate place on a single community-wide waiting list in sequence based upon:
  - (i) Type and size of unit needed and selected by the family (e.g. general occupancy building, accessible or non-accessible unit, number of bedrooms);
  - (ii) Applicant preference or priority, if any; and
  - (iii) Date and time the application is received.
- 2. MHA will maintain its waiting list in the form of a database that records the type and size of unit needed, each applicant's priority/preference status, the date and time of application and the race and ethnicity of the family head.

##### **3. Site-based Waiting List**

- a) If MHA elects to operate Site-based Waiting Lists, the application for such lists shall be a part of MHA's Annual Plan.
- b) All current applicants for units of the size and type offered at developments with Site-based Waiting Lists will be given an opportunity to list up to three developments where they would accept a unit offer or to opt for the "first available" unit offer.
- c) Thereafter, new applicants would have the same opportunity to select up to three developments or "first available" unit offer.

- d) Once the initial site based lists are established, all applicants will be informed of the length of each list and have an opportunity when their application is updated to change their site selection.
- e) Although applicants will have an opportunity to select the sites where they wish to receive offers, the waiting list and unit offers will continue to be administered centrally.

**B. MAKING UNIT OFFERS TO APPLICANTS**

1. To assure equal opportunity and nondiscrimination on grounds of race, color, sex, religion, national origin, disability, familial status, age, marital status or creed (the last three are from State law), unit offers will be made according to the following plan:
  - a) The first qualified applicant in sequence on the waiting list is made one offer of a unit of appropriate size and type.
  - b) The applicant must accept the vacancy offered or be dropped from the waiting list.
  - c) Applicants who are removed from the waiting list because they refuse unit offers without good cause (defined in Part D of this section) are removed from the waiting list and must reapply.
2. MHA will first match the unit available to the highest ranking applicant for a unit of that size, type and special features (if any), taking into account any designated housing (if applicable). Preferences will then be used to determine the order of selection from the waiting list. If two applicants need the same type and size of unit and have the same preference status, the applicant with the earlier date and time of application or lower application number will receive the earliest offer.
3. In the selection of a family for a unit with accessible features, MHA will give preference to families that include a person with disabilities who can benefit from the unit features.
4. Local and ranking preferences will be a factor in most admissions, although there may be instances (e.g. a unit with accessible features is ready and no applicant in the targeted preference group needs the features) when MHA will make an offer to an applicant who does not qualify for a ranking preference.
5. Certain types of transfers will also be processed with new admissions. See Section III F for the ratio of transfers to new admissions.
6. The applicant must accept the vacancy offered according to the following schedule:
  - a) For offers made by phone or in person, the unit must be viewed (if applicant so chooses), and either accepted or rejected within two (2) working days of the offer, or be removed from the waiting list.

- b) If the applicant family cannot be reached by phone or lives out of MHA's jurisdiction, unit offers will be made by first class mail, with a certificate of mailing, and must be viewed (if applicant so chooses), and either accepted or rejected within five (5) working days, or be removed from the waiting list.
  - c) For applicants with disabilities the method of communication may be designated by the applicant.
  - d) MHA will record the unit offered, including location, date, and circumstances for each offer, and each refusal or acceptance. MHA will record the reason for refusal by an applicant.
7. If more than one unit of the appropriate size and type is available, the first unit to be offered will be the unit that is or will be ready for move-in first. "Ready for move-in" means the unit has no Housing Quality Standard deficiencies and is broom clean. If two units are ready for move-in on the same day, the first unit to be offered will be the unit that became vacant first.

### **C. REMOVING APPLICANT NAMES FROM THE WAITING LIST**

1. To ensure vacant units are filled in a timely manner, MHA needs a waiting list that is accurate. While each applicant must keep MHA apprised of changes in address, phone number, income or other circumstances, no applicant shall be removed from the waiting list except when one of the following situations occurs:
  - a) The applicant receives and accepts an offer of housing;
  - b) The applicant requests in writing that his/her name be removed from the waiting list;
  - c) The applicant is rejected, either because he/she is ineligible for public housing at the time of certification, or because he/she fails to meet the applicant selection criteria<sup>xv</sup>; or
  - d) The application is withdrawn because MHA attempted to contact the applicant and was unable to do so. In attempting to contact an applicant to schedule a meeting or interview, make an offer, or ask for required information, the following methods shall be undertaken before an application may be withdrawn:
    - (i) The applicant will be sent a letter by first class mail to the applicant's last known address, asking the applicant to contact MHA<sup>xvi</sup> within ten (10) business days by telephone, first class mail, or in person, providing proof of identity, or the application will be closed;

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<sup>xv</sup> All rejected applicants are entitled to a complete explanation of the reason for their rejection and an informal hearing at which they may present reasons why they should not be rejected. See the **Procedure on Informal Hearings for Rejected Applicants**.

<sup>xvi</sup> Except that MHA shall contact persons with disabilities according to the methods such individuals have previously designated. Such methods of contact could include verbal or in-person contact or contacting relatives, friends or advocates rather than the person with disabilities.



- (ii) If an applicant contacts MHA as required within the deadline stated above, he/she shall be reinstated at the former waiting list position;
  - (iii) When MHA is unable to contact an applicant by first class mail to schedule a meeting or interview, make an offer, or ask for required information MHA shall suspend processing of that application until the applicant is either withdrawn (no contact by the applicant) or reinstated (contact by the applicant within the stated deadlines). While an application is suspended, applicants next in sequence will be processed.
2. Persons who fail to respond to MHA attempts to contact them because of verified situations related to a disability shall be entitled to reasonable accommodation.
  3. The Admissions & Leasing Manager also has discretion to consider other mitigating circumstances such as health problems or lack of transportation that may prevent the applicant from responding. In such circumstances MHA shall reinstate these individuals to their former waiting list positions.
  4. Families whose applications are withdrawn or rejected must reapply for housing when the waiting list is open.
  5. During the annual update of the waiting list, MHA will remove an applicant's name from the waiting list only in accordance with its **Procedure on Updating the Waiting List and Removing Applications**.

#### **D. GOOD CAUSE FOR APPLICANT REFUSAL OF UNIT OFFER**

1. If an applicant is willing to accept the unit offered but is unable to move at the time of the offer and presents clear evidence (“good cause”) that acceptance of the offer of a suitable vacancy will result in undue hardship not related to considerations of race, color, sex, religion or national origin, the applicant will not be removed from the list.
2. Examples of “good cause” for refusal of an offer of housing include, but are not limited to:
  - a) The unit is not ready for move-in at the time of the offer of housing. “Ready for move-in” means the unit has no Physical Condition Standard deficiencies and is broom clean. If an applicant refuses a unit because it is not ready for move-in, the applicant will be offered the next unit that **is** ready for move-in;
  - b) Inaccessibility to source of employment, education, or job training, children’s day care, or educational program for children with disabilities<sup>xvii</sup>, so that accepting the unit offer would require the adult household member to quit a job, drop out of an educational institution or job training program, take a child out of day care, or an educational program for children with disabilities;

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<sup>xvii</sup> If the applicant has a child participating in such a program.

- c) The family demonstrates that accepting the offer will place a family member's life, health or safety in jeopardy. The family must provide specific and compelling documentation such as restraining orders, other court orders, or risk assessments from a law enforcement agency. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption;
  - d) A health professional verifies temporary hospitalization or recovery from illness of the household member, other household members (each as listed on final application) or live-in aide necessary to the care of the principal household member;
  - e) The unit has lead paint and the family has children under the age of seven;
  - f) The unit is inappropriate for the applicant's disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30 day notice to move;
  - g) An elderly or disabled family makes the decision not to occupy or accept occupancy in mixed population housing;
  - h) The configuration of the unit offered, e.g. requiring that two children share a bedroom that is too small for two beds, does not fit the family characteristics. This determination shall be made by MHA, not the family, taking into consideration the family's circumstances.
  - i) In order to meet deconcentration requirements, a higher income family refuses offer of a unit in a project designated by MHA as lower income (see Section II, I: *MHA Incentives for Higher Income Families*).
  - j) MHA has HUD-approved site-based waiting lists and the offer is not for one of the sites the applicant has selected.
3. If good cause is verified, the refusal of the offer shall not require that the applicant be dropped from the waiting list or otherwise affect the family's position on the waiting list.
  4. MHA will maintain a record of units offered, including location, date, and circumstances of each offer, and each acceptance or refusal, including the reason for the refusal.

**E. LEASING ACCESSIBLE UNITS**

1. Before offering a vacant accessible unit to a non-disabled applicant, MHA will offer such units:
  - a) First, to a current public housing resident having a disability that requires the special features of the vacant unit.
  - b) Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

- c) When offering an accessible/adaptable unit to a non-disabled applicant, MHA will require the applicant to agree to move to an available non-accessible unit within 30 days when a current resident or an applicant with a disability needs the unit. This requirement is also reflected in the lease signed with the applicant.

#### **F. ADMINISTERING THE APPLICANT AND TRANSFER WAITING LISTS**

1. Applications for admission and transfer will be processed centrally. Initial intake will take place at MHA's primary office at 1235 34<sup>th</sup> Street, Missoula, MT 59801, or at other MHA-designated outreach offices located in space provided by partner agencies. Waiting list management, screening, and assigning of housing (including transfers) will be made from the MHA office at 1235 34<sup>th</sup> Street, Missoula, MT 59801. Offers may be made in person, in writing or by phone.

#### **G. TRANSFERS**

1. MHA has five possible types of transfers: Emergency, Administrative - Category 1, Category 2 and Category 3, and Incentive<sup>xviii</sup> transfers. The definition of each transfer is found in the Transfer section.
2. Emergency and Category 1 and 2 administrative transfers will take priority over admissions. Category 3 administrative transfers and incentive transfers will be processed at the rate of at least four admissions to each transfer. The specific definitions of each type of transfer are covered in Section V, Transfers, below.
3. Tenants on the transfer list may refuse transfer offers for the "good cause" reasons cited in Section D above without losing their position on the transfer list.
4. Tenants who refuse a transfer offer without good cause may be removed from the transfer list and tenants whose transfers are mandatory are subject to lease termination.
5. Tenants may use the MHA Grievance Procedure if they are refused the right to transfer or if MHA is requiring them to transfer and they do not want to do so.

### **IV. LEASING POLICIES**

#### **A. GENERAL LEASING POLICY**

1. All units must be occupied pursuant to a lease that complies with HUD's regulations<sup>56</sup>.
2. The lease shall be signed by the head of household and by the Executive Director or his/her designee<sup>57</sup>.

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<sup>xviii</sup> If MHA has no units appropriate for Incentive Transfers, but such units are developed or acquired in the future, this policy will be activated by Board resolution.

3. If a resident transfers from one MHA unit to another, a new lease will be executed for the dwelling into which the family moves<sup>58</sup>.
4. If at any time during the life of the lease agreement, a change in the resident's status results in the need for changing or amending any provision of the lease, either:
  - a) A new lease agreement will be executed, or
  - b) A Lease Adjustment will be executed, or
  - c) An appropriate rider will be prepared and made a part of the existing lease.
5. All copies of such riders or insertions are to be dated and signed by the Resident and by the Executive Director or other authorized representative of MHA<sup>59</sup>.
6. Residents must advise MHA if they will be absent from the unit for more than 7 days. Residents shall notify the Admissions & Leasing Manager in writing, secure the unit and provide a means for MHA to contact the resident in an emergency.
7. Failure to advise MHA of an extended absence is grounds for termination of the lease.
8. Security deposits will be collected at time of lease-up. If the family is unable to pay the full security deposit, the head of household may enter into a payment agreement with MHA to make security deposit payments over time.

**B. SHOWING UNITS PRIOR TO LEASING**

1. When offering units, MHA will provide the applicant with a brief property description and other information to help orient the applicant to the neighborhood and location in the property. If the offer of a unit is preliminarily accepted by the applicant, the Admissions & Leasing Manager, or his/her designee, will contact the applicant to set up a date to show the unit.
2. Once the unit is shown and the applicant accepts the unit, the Admissions & Leasing (A&L) Manager will execute a lease. If the applicant refuses the unit, a signed reason for refusal should be obtained from the applicant. The form is then reviewed by the A & L Manager for a "good cause" determination.
3. No lease will have an effective date before the unit is ready for occupancy<sup>60</sup>. "Ready for occupancy" is defined as basic life, health, and safety requirements having been met.

**C. MOVE-IN INSPECTIONS**

1. Move-in inspections will be conducted with the resident or his/her representative. MHA will provide the resident with a form noting the conditions of the dwelling unit and appliances, signed by both the resident and MHA representative, and keep a copy of the form in the tenant file.

#### **D. ADDITIONS TO THE HOUSEHOLD AND VISITORS**

1. Only those persons listed on the most recent certification form and lease shall be permitted to occupy a dwelling unit<sup>61</sup>.
  - a) MHA will not assign a larger bedroom size due to additions of household members other than by birth, adoption, marriage, or court-awarded custody. Families may request a Category 3 transfer, as defined in the Transfer Policy section below, to accommodate other additions to the household.
  - b) Except for natural births to or adoptions by family members, or court awarded custody, any family seeking to add a new member must request approval in writing before the new member moves in.
  - c) Also included, would be situations in which a person (often a relative) comes to the unit as a visit but stayed on in the unit because the tenant needed support, for example, after a medical procedure<sup>62</sup>.
  - d) All persons listed on the most recent certification form and the lease must use the dwelling unit as their sole residence.
2. When a resident requests approval to add a new person to the lease, MHA will conduct pre-admission screening of any proposed new adult member to determine whether the MHA will grant such approval.
3. Children under the age below which Juvenile Justice records are made available, or added through a formal custody award or kinship care arrangement are exempt from the pre-admission screening process, although the resident still needs prior permission from MHA to add children other than those born to, adopted by or awarded by the court to the family.
4. Examples of situations where the addition of a family or household **member is subject to screening** are:
  - a) Resident plans to be married and requests to add the new spouse to the lease;
  - b) Resident desires to add a new family member to the lease, employ a live-in aide, or take in a foster child(ren) over the age for which juvenile justice records are available;
  - c) A unit is occupied by a remaining family member(s) under age 18 (who is not an emancipated minor) and an adult, not a part of the original household, requests permission to take over as the head of the household.
5. Residents who fail to notify MHA of additions to the household or who permit persons to join the household without undergoing screening are violating the lease. Persons added without MHA approval will be considered unauthorized occupants and the entire household will be subject to eviction<sup>63</sup>.

6. Visitors may be permitted in a dwelling unit so long as they have no previous history of behavior on MHA premises that would be a lease violation.
  - a) Visits of less than three days need not be reported to or approved by the Admissions & Leasing Manager.
  - b) Visits of more than three and less than fourteen days are permitted, provided they are reported to the Admissions & Leasing Manager within 72 hours and authorized by the A & L Manager.
  - c) Visits of more than 14 calendar days shall be authorized only by the Executive Director or his/her designee with advance documentation of extenuating circumstances.
  - d) Visitors remaining beyond the approved period shall be considered unauthorized occupants and the head of the household shall be guilty of a breach of the lease.
  - e) In a joint custody arrangement, if the minor is in the household less than 180 days per year, the minor will be considered to be an eligible visitor and not a family member.
7. Roomers and lodgers shall not be permitted to move in with any family. Violation of this provision is grounds for termination of the lease<sup>64</sup>.
8. Residents will not be given permission to allow a former resident of MHA who has been evicted to occupy the unit for any period of time. Violation of this requirement is grounds for termination of the lease.
9. Family members over age 17 or emancipated minors who move from the dwelling unit to establish new households shall be removed from the lease<sup>65</sup>.
  - a) The resident shall report the move-out within 10 calendar days of its occurrence.
  - b) These individuals may be readmitted to the unit only once in a twelve-month period.
  - c) Medical hardship or other extenuating circumstances shall be considered by MHA in making determinations under this paragraph.

## **V. TRANSFER POLICY**

### **A. GENERAL TRANSFER POLICY**

1. Transfers will be made without regard to race, color, national origin, sex, religion, familial status, age, marital status, or creed. Residents can be transferred to accommodate a disability<sup>66</sup>.
2. Residents will not be transferred to a dwelling unit of equal size except to alleviate hardship of the resident or other undesirable conditions as determined by the Executive

Director or designee, or in the case of an approved Category 3 or Incentive Transfer, as defined below.

3. Residents will receive one offer of a transfer. Refusal of that offer without good cause will result in lease termination for mandatory transfers or the removal of the household from the transfer list for voluntary transfers.

## **B. TYPES OF TRANSFERS**

The order in which families are transferred shall be subject to the hierarchy by category set forth below.

1. Emergency Transfers are **mandatory** when MHA determines that conditions pose an immediate threat to resident life, health or safety. Emergency transfers may be made to: permit repair of unit defects hazardous to life, health, or safety; alleviate verified disability problems of a life threatening nature; or protect members of the household from attack by the criminal element in a particular property or neighborhood<sup>xix</sup>.
  - a) **These transfers shall take priority over new admissions.**
2. Category 1 Administrative transfers include **mandatory** transfers to: remove residents who are witnesses to crimes and may face reprisals; provide housing options to residents who are victims of hate crimes or extreme harassment; alleviate verified medical problems of a serious (but not life-threatening) nature; permit modernization or demolition of units; or perform work (e.g., repair, modernization, or lead hazard reduction work) above a specified scale and duration that disturbs lead-based paint or controls lead based paint hazards.<sup>67</sup> Category 1 also includes transfers to permit a family that requires a unit with accessible features to occupy such a unit to make reasonable accommodations. Residents with disabilities are not compelled to accept transfer offers related to reasonable accommodations, but these requests will take priority over new admissions.
  - a) **These transfers shall take priority over new admissions.**
  - b) Requests for these transfers will be made to the Admissions & Leasing Manager with necessary documentation to substantiate the need for such transfers. Transfers may also be initiated by MHA (e.g. moving a person with mobility problems to a unit with accessible features or temporarily moving residents to a unit free of lead-based paint hazards).
3. Category 2 Administrative transfers correct serious occupancy standards problems.
  - a) **These transfers will take priority over new admissions.**
  - b) Category 2 transfers due to occupancy standards will only be made if the family size is so small that it includes fewer persons than the number of bedrooms, or so large

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<sup>xix</sup> based on threat assessment by a law enforcement agency.

that the household members over age 2 would equal more than two persons per bedroom. **These transfers are mandatory.**

- c) If a family's size is between the smallest and largest size permissible for the unit, the family may request a transfer, but it shall be considered a Category 3 transfer.
4. When reasonable accommodation requests or mandatory transfers cannot be met with MHA public housing stock, transfers may be granted to the Housing Choice Voucher program so that tenants do not lose housing assistance through circumstances beyond their control.
  - (i) Transfers to the Housing Choice Voucher must be approved in writing by the Executive Director, with necessary documentation to substantiate the need for such transfers.
5. Category 3 Administrative transfers may be made to: avoid concentration of the most economically and socially deprived families, correct occupancy standards<sup>xx</sup>, or address situations that interfere with peaceful enjoyment of the premises. **These transfers will not take priority over new admissions.** They will be processed at the rate of one transfer to at least four admissions.
6. Incentive Transfers: As described in detail below, residents with good rental histories may request incentive transfers. Incentive Transfers are offered on a nondiscriminatory basis. **These transfers will not take priority over new admissions.** They will be processed at the rate of one transfer to at least four admissions.
7. Whenever feasible, transfers will be made within a resident's area.

### **C. PROCESSING TRANSFERS**

1. A centralized transfer waiting list will be administered by the Admissions & Leasing Manager. Occupancy or Admissions & Leasing staff submits requests for transfer, including necessary documentation, to the Admissions & Leasing Manager. Transfers will be made in the following order:
  - a) First: Emergency transfers, then
  - b) Category 1 Administrative Transfers,
  - c) Category 2 Administrative Transfers,
  - d) Applicants,and at a rate of at least four admissions to every transfer,
  - e) Category 3 Administrative Transfers,
  - f) Incentive Transfers

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<sup>xx</sup> Voluntary if the family is between the minimum and maximum occupancy standard but the family requests a transfer, e.g. to permit older children of opposite sexes to have separate bedrooms.



2. Within each category, transfer applications will be sorted by the date the completed file (including any verification needed) is received by the Admissions & Leasing Manager.
3. Category 2 transfers to correct occupancy standards may be recommended at time of re-examination or interim redetermination.
4. Residents in a Category 2 over/under housed status will be advised in writing that a transfer is recommended and that the family has been placed on the transfer list.
5. When a head of a household, originally housed in a bedroom by him/herself, has or adopts a child, the family will not be approved for a Category 2 transfer until the child is two (2) years of age. Exceptions: spouse or partner returns to the unit, marriage takes place, or family decides to remain in the unit and the unit is large enough (using the smallest-unit standard) to accommodate the number of persons now in the household.
  - a) The head of household may request a Category 3 transfer before the child is two (2) years of age.
6. Split-family transfers will be processed as Category 3 administrative transfers.
  - a) Families that split into 2 “new” households may be transferred to two different units or a portion of the “old” household may be transferred to a single unit depending on family circumstances and unit availability.
  - b) Such transfers will be made in a manner that minimizes the impact on vacant units.

#### **D. GOOD RECORD REQUIREMENT FOR TRANSFERS**

1. In general, and in all cases of resident-requested transfers, residents will be considered for transfers only if the head of household and any other family members for the past two years:
  - a) have not engaged in criminal activity that threatens the health and safety of residents and staff;
  - b) do not owe back rent or other charges, or evidence a pattern of late payment;
  - c) meet reasonable housekeeping standards and have no housekeeping lease violations; and
  - d) can get utilities turned on in the name of the head of household (applicable only to properties with tenant-paid utilities).
2. Exceptions to the good record requirements may be made for emergency transfers, reasonable accommodations, when occupancy standards require a transfer, or when it is to MHA’s advantage<sup>xxi</sup> to make the transfer. The exception to the good record

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<sup>xxi</sup> e.g. A single person is living alone in a three bedroom unit and does not want to move.

requirement will be made by the Executive Director taking into account the recommendation by the Admissions & Leasing Manager.

- a) Absent a determination of exception, the following policy applies to transfers:
  - (i) If back rent is owed, the resident will not be transferred until a payment plan is established or, if prior payment plans have failed, back rent is paid in full.
  - (ii) A resident with housekeeping standards violations will not be transferred until he/she passes a follow-up housekeeping inspection.

#### **E. INCENTIVE TRANSFERS**

1. Incentive transfers are offered to residents who have good rental histories and want to move to units other than those they currently occupy on a non-discriminatory basis.
2. MHA may occupy recently modernized, scattered site, or single-family units through incentive transfers. These units will be filled with incentive transfers, new applicants, or a combination of both in a manner that has the least impact on vacant units.
3. In order to encourage economic self-sufficiency for public housing residents, a resident who qualifies for the Housing Choice Voucher Homeownership Program may request a program transfer so that a Homeownership voucher can be issued.
  - a) These transfers will be approved only when vouchers are available and can be issued with no adverse effect on the Housing Choice Voucher waiting list.
4. Resident requests for incentive transfers should be made to the Admissions & Leasing Manager. Other managers or occupancy specialists may also recommend a resident for an incentive transfer. To be considered for an incentive transfer, the following conditions must be met:
  - a) Residency in a MHA development for at least three years.
  - b) No more than two repayment agreements, or unpaid balances at any time in the past two (2) years.
  - c) No history of disturbances that resulted in lease violations or violence toward staff or neighbors as indicated by notices of lease violation in the applicant's file.
  - d) Good housekeeping record.
5. No exceptions will be granted to the good record requirement for incentive transfers.
6. A Manager's failure to process or recommend an Incentive Transfer is subject to the Grievance Procedure.

## **F. PAYING FOR TRANSFERS**

1. Residents shall bear the cost of transfers to correct occupancy standards and for incentive transfers. However, where there is a hardship due to health, disability, or other factors, the manager may recommend that families be reimbursed their out-of-pocket expenses for an occupancy standards transfer in an amount not to exceed a reasonable moving allowance established by MHA. Transfers requested or required by MHA, including those for temporary relocation during lead hazard reduction work, and all transfers for reasonable accommodations will be paid for or made by MHA.

## **VI. ELIGIBILITY FOR CONTINUED OCCUPANCY, ANNUAL RE- EXAMS, & REMAINING FAMILY MEMBERS**

### **A. ELIGIBILITY FOR CONTINUED OCCUPANCY**

1. Residents who meet the following criteria will be eligible for continued occupancy:
  - a) Qualify as a family as defined in Section II B of this policy<sup>xxii</sup>.
  - b) Are in full compliance with the resident obligations and responsibilities as described in the dwelling lease.
  - c) Whose family members, age 6 and older, each have Social Security numbers or have certifications on file indicating they have no Social Security number.
  - d) Who meet HUD standards on citizenship or immigration status or are paying a pro-rated rent<sup>68</sup>.
  - e) Who are in compliance with MHA's eight-hour per month community service requirements<sup>xxiii</sup>.

### **B. REMAINING FAMILY MEMBERS AND PRIOR DEBT**

1. Remaining family members age 18 years or older will be held responsible for amounts due to the Housing Authority incurred by the former head or spouse. MHA will not hold remaining family members (other than the head or spouse) responsible for any portion of the amounts due incurred before the remaining member attained age 18.
2. Remaining family members under age 18 shall not be held responsible for the rent incurred by the former head of household.

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<sup>xxii</sup> For purpose of continued occupancy, remaining family members qualify as a family so long as at least one of them is of legal age to execute a lease. Remaining family members can also include court recognized emancipated minors under age 18.

<sup>xxiii</sup> Applicable to certain adults who are neither elderly, disabled, working nor participating in qualifying educational or job training programs.

### **C. DEFINITION OF TEMPORARILY OR PERMANENTLY ABSENT**

1. The MHA must compute all applicable income of every household member who is on the rental agreement, including those who are temporarily absent.
  - a) If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.
  - b) Income of persons permanently absent will not be counted.
    - (i) Any member of the household will be considered permanently absent if s/he is away from the unit for six (6) consecutive months or more than 180 days in a 12 month period except as otherwise provided in this section.
    - (ii) Students 18 years of age and older who attend school away from the home and live with the family during school recess will be considered permanently absent from the household.
      - ◆ Students 18 years of age and older who were part of the family but who now live away from home during the school year and are not considered members of the household may visit during regular school recesses without being considered a household member.
    - (iii) If an adult child goes into the military and leaves the household, they will be considered permanently absent.
  - c) If, having provided MHA prior written notice of absence, the sole member or entire family is absent from the assisted unit for more than ninety (90) consecutive days, the unit will be considered to be vacated and the assistance will be terminated, except that for good cause and at the discretion of the Executive Director, the period of absence may be extended for up to 180 consecutive calendar days.
    - (i) In order to determine if the family is absent from the unit, the MHA may conduct home visits, write letters to the family at the unit, telephone the family at the unit, interview neighbors, verify if utilities are in service, request mail check of unit.
2. If the family includes a child or children temporarily absent from the home due to placement in foster care, MHA will determine from the appropriate agency when the child/children will be returned to the home. If the time period is to be greater than twelve (12) months from the date of removal of the child(ren), the unit size will be reduced. If all children are removed from the home permanently, the unit size will be reduced in accordance with the MHA's occupancy guidelines.
3. If neither parent remains in the household and another adult is to be brought into the assisted unit to care for the children for an indefinite period, the MHA will treat that adult as a visitor for the first thirty (30) days. Thereafter the MHA must approve the

caretaker as an addition to the household under the Tenant Suitability criteria. If the courts award custody or legal guardianship to the caretaker, and the caretaker qualifies under Tenant Suitability criteria, the rental agreement will be transferred to the caretaker.

4. Time extensions will be granted as an accommodation upon verifiable and reasonable request by a person with a disability.

#### **D. REEXAMINATIONS**

1. Regular reexaminations: MHA shall, at least once a year, re-examine the family composition and incomes of all resident families, except that families paying Flat Rent shall have their family composition re-examined every year, and incomes reexamined only every three years<sup>69</sup>.
2. Special Reexaminations: When it is not possible to estimate family income accurately, a temporary determination will be made with respect to income and a special reexamination will be scheduled every 90 days until a reasonably accurate estimate of income can be made.
3. Special reexaminations shall be conducted when there is a change in the head of household that requires a remaining family member to take on the responsibilities of a leaseholder.
4. Zero Income Families: Unless the family has income that is excluded for rent computation, families reporting zero income will have their circumstances examined every 90 days until they have a stable income. Monetary or non-monetary contributions from persons not residing in the dwelling unit for any purpose other than the payment or reimbursement of medical expenses shall be considered income.
5. Reexamination Procedures
  - a) At the time of reexamination, the head of household or co-head is required to sign a Summary Application form for continued occupancy, new release of information forms, and other forms required by HUD.
  - b) Income, allowances, Social Security numbers, and such other data as is deemed necessary will be verified, and all verified findings will be filed in the resident's folder.
  - c) An electronic wage and unemployment check will be run on each adult family member at recertification to help detect any unreported income, family members not reported on the lease, etc.<sup>70</sup>.
  - d) Verified information will be analyzed and a determination made with respect to:
    - (i) Eligibility of the resident as a family or as the remaining member of a family;
    - (ii) Unit size required for the family (using the Occupancy Guidelines); and
    - (iii) Rent the family should pay.

- e) Residents with a history of employment whose reexamination occurs when they are not employed will have income anticipated based on past and anticipated employment. Residents with seasonal or part-time employment of a cyclical nature will be asked for third party documentation of their employment including start and ending dates.
  - f) Income shall be computed in accordance with the definitions and procedures set forth in Federal regulations and this policy<sup>71</sup>.
  - g) Families failing to respond to the initial reexamination appointment will be issued a final appointment within the next 30 calendar days. Failure to respond to the final request will result in the family being sent a notice of lease violation and referred to the Admissions & Leasing Manager for further action, up to and including termination of the lease<sup>72</sup>.
6. Action Following Reexamination
- a) If there is any change in rent, the lease will be amended and the Resident notified in writing<sup>73</sup>.
  - b) If any change in the unit size is required, the resident will be placed on a transfer list in accordance with the transfer criteria described above in this policy and moved to an appropriate unit when one becomes available<sup>74</sup>.

## VII. COMMUNITY SERVICE

### A. REQUIREMENT

1. Each adult resident of MHA shall contribute eight hours per month of community service (not including political activities) within the community in which that adult resides, or participate in an economic self-sufficiency program as defined in this section for eight hours per month.

### B. EXEMPTIONS

1. The MHA shall provide an exemption from the community service requirement for any individual who:
  - a) Is 62 years of age or older;
  - b) is a blind or disabled individual, as defined under section 216[i][1] or 1614 of the Social Security Act, and who is unable to comply with this section, or is a primary caretaker of such individual;
  - c) Currently working at least 20 hours per week.
  - d) Meets the requirements for being exempted from having to engage in a work activity under the State program funded under part A of title IV of the Social Security Act,

or under any other welfare program of the State in which the public housing agency is located, including a State-administered welfare-to-work program; or

- e) Is in a family receiving assistance under a State program funded under part A of title IV of the Social Security Act, or under any other welfare program of the State in which the public housing agency is located, including a State-administered welfare-to-work program, and has not been found by the State or other administering entity to be in noncompliance with such program.
2. The MHA will re-verify exemption status annually except in the case of an individual who is 62 years of age or older.
  3. The MHA will permit residents to change exemption status during the year if status changes.

**C. DEFINITION OF ECONOMIC SELF-SUFFICIENCY PROGRAM**

1. For purposes of satisfying the community service requirement, participating in an economic self-sufficiency program is defined, in addition to the exemption definitions described above, by one of the following:
  - a) Participating in the Family Self-Sufficiency Program and being current in the steps outlined in the Individual Training and Services Plan;
  - b) Participating in an educational or vocational training program designed to lead to employment, at least 20 hours per week;
  - c) Volunteer work in a local school, hospital, child care center, homeless shelter, or other community service organization;
  - d) Working with youth organizations;
  - e) Helping neighborhood groups on special projects;
  - f) Raising young (pre-school) children at home where spouse is working;
  - g) Participation in programs that develop and strengthen resident self-responsibility such as:
    - (i) Drug and alcohol abuse counseling and treatment
    - (ii) Household budgeting
    - (iii) Credit counseling
    - (iv) English proficiency; or
    - (v) Other activities as approved by the MHA on a case-by-case basis.
2. The MHA will give residents the greatest choice possible in identifying community service opportunities.

#### **D. ANNUAL DETERMINATIONS**

1. For each public housing resident subject to the requirement of community service, the MHA shall, at the time of annual recertification, review and determine the compliance of the resident with the community service requirement.
2. Such determination shall be made in accordance with the principles of due process and on a nondiscriminatory basis.

#### **E. NONCOMPLIANCE**

1. If MHA determines that a resident subject to the community service requirement has not complied with the requirement, MHA shall notify the resident of such noncompliance, and that:
  - a) The determination of noncompliance is subject to the administrative grievance procedure under the MHA's Grievance Procedures; and
  - b) MHA may not renew or extend the resident's lease upon expiration of the lease term and shall take such action as is necessary to terminate the tenancy of the household, unless the MHA enters into an agreement, before the expiration of the lease term, with the resident providing for the resident to cure any noncompliance with the community service requirement, by participating in an economic self-sufficiency program or contributing to community service as many additional hours as the resident needs to comply in the aggregate with such requirement over the 12-month term of the lease.
  - c) Ineligibility for Occupancy for Noncompliance
    - (i) MHA shall not renew or extend any lease, or provide any new lease, for a dwelling unit for any household that includes an adult member who was subject to the community service requirement and failed to comply with the requirement.

#### **F. MHA RESPONSIBILITY**

1. MHA will ensure that all community service programs are accessible for persons with disabilities.
2. MHA will ensure that:
  - a) The conditions under which the work is to be performed are not hazardous;
  - b) The work is not labor that would be performed by the MHA's employees responsible for essential maintenance and property services; or
  - c) The work is not otherwise unacceptable.



## VIII. INTERIM RENT ADJUSTMENTS

### A. ADJUSTING RENT BETWEEN REGULAR REEXAMINATIONS

1. Residents are required to report all changes in family composition or status to the Occupancy Specialist within 10 calendar days of the occurrence. Failure to report within the 10 calendar days may result in a retroactive rent increase, but not a retroactive credit or rent reduction. In order to qualify for rent reductions, residents must report income decreases promptly.
2. Families are required to report all changes in income, both increases and decreases, within 10 calendar days of the occurrence. MHA will process interim changes in rent according to the chart below:

INCOME CHANGE	MHA ACTION
a) Decrease in income for any reason, <u>except</u> as noted at the bottom of this page <sup>xxiv</sup> .	MHA will process interim reduction in rent.
b) Increase in income following MHA granting of interim rent decrease.	MHA will process an interim increase for income increases that follow interim rent reductions
c) Increase in earned income from the employment of a current household member or increase in child support.	MHA will process interim rent increase or, if the individual is eligible for an earned income disallowance, will grant the disallowance
d) Increase in unearned income (e.g. COLA adjustment for social security, annual TANF adjustment)	MHA will defer the increase in rent to the next regular reexamination.
e) Increase in income because a person with income (from any source) joins the household.	MHA will process an interim increase in rent.
f) MHA will process an interim increase in rent if the resident has misrepresented or failed to report facts upon which rent is based, so the rent the Resident is paying is less than it should have been. MHA will apply any increase in rent retroactive to the month following the month in which the misrepresentation occurred.	

3. Complete verification of the circumstances applicable to rent adjustments must be documented<sup>75</sup>.
4. MHA will process interim adjustments in rent as follows:
  - a) When a decrease in income is reported, an interim adjustment will be processed.
  - b) Residents granted a reduction in rent under these provisions will be required to report for special reexaminations at intervals determined by the Occupancy

<sup>xxiv</sup> Decreases in income resulting from welfare fraud or from welfare cuts for failure to comply with economic self sufficiency requirements are not eligible for rent reductions.

Specialist. Reporting is required until income increases or it is time for the next regularly scheduled reexamination, whichever occurs first.

**B. EFFECTIVE DATE OF ADJUSTMENTS**

1. Residents will be notified in writing of any rent adjustment including the effective date of the adjustment.
2. Rent decreases go into effect the first of the month following the reported change. Income decreases reported or verified after the tenant accounting cut-off date will be effective the first of the second month with a credit retroactive to the first month, provided that the change was reported with 10 calendar days of the occurrence.
3. Rent increases (except those due to misrepresentation) require 30 days notice and become effective the first of the second month.

**IX. LEASE TERMINATION PROCEDURES**

**A. GENERAL POLICY: LEASE TERMINATION**

1. No resident's lease shall be terminated except in compliance with HUD regulations and the lease terms<sup>76</sup>.

**B. NOTICE REQUIREMENTS**

1. No resident shall be given a Notice of Lease Termination without being told by MHA in writing the reason for the termination.
2. The resident must also be informed of his/her right to request a hearing in accordance with the Grievance Procedure, and be given the opportunity to make such a reply as he/she may wish.
3. For any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or MHA employees, or any drug-related criminal activity on or near the premises, MHA may choose to use an Expedited Grievance Procedure.
  - a) The informal settlement of grievances does not apply to the Expedited Grievance Procedure.
4. Notices of lease termination may be served personally, sent by first class and certified return receipt requested mail, or posted on the apartment door. Notice shall include a statement describing right of any resident with a disability to meet with the manager and determine whether a reasonable accommodation could eliminate the need for the lease termination.

### **C. RECORDKEEPING REQUIREMENTS**

1. A written record of every termination and/or eviction shall be maintained by MHA, and shall contain the following information:
  - a) Name of resident, race and ethnicity, number and identification of unit occupied;
  - b) Date of the Notice of Lease Termination and any other state or local notices required, which may be on the same form and run concurrently;
  - c) Specific reason(s) for the Notice(s), with section of the lease violated, and other facts pertinent to the issuing of the Notice(s) described in detail;
  - d) Date and method of notifying resident; and
  - e) Summaries of any conferences held with resident including dates, names of conference participants and conclusions.

### **X. UTILITIES**

In some of MHA's developments, residents pay the cost of certain utilities directly to the supplier. At these properties, resident rents are reduced by an Allowance for Utilities developed by MHA in consultation with the utility supplier.<sup>77</sup>.

#### **A. RESIDENT-PAID UTILITIES**

1. The following requirements apply to residents living in developments with resident-paid utilities:
  - a) Each resident will receive a monthly utility allowance that reflects a reasonable amount of utilities for the specific size and type of unit occupied.
  - b) When a resident's Total Tenant Payment is less than the utility allowance, MHA will pay a utility reimbursement, equal to the difference between one month's total tenant payment and the utility allowance, to the tenant.
  - c) When the utility supplier offers a "Budget" payment plan, it shall be suggested to the resident to use this plan because it protects the resident from seasonal fluctuations in utility bills and ensures adequate heat in the winter.
  - d) When a resident makes application for utility service in his/her own name, he or she shall sign a third-party notification agreement so that MHA will be notified if the resident fails to pay the utility bill.
  - e) If an applicant is unable to get utilities connected because of a previous balance owed the utility company at a prior address, applicant will not be admitted and will receive a Notice of Rejection.

- f) Paying the utility bill is the resident's obligation under the Authority's lease. Failure to pay utilities is grounds for lease termination and eviction.

## **XI. FLAT RENTS/CEILING RENTS**

### **A. FLAT RENTS/CEILING RENTS**

1. Flat rents are market-based rents. They vary by unit size and type and also by development location. Once each year, at the annual recertification, all residents are offered the choice of paying an income-based rent or the flat rent. Flat rents represent the actual market value of MHA's housing units. MHA will take the following information into account in developing its flat rent schedule:
  - a) Rents of non-assisted rental units in the immediate neighborhood;
  - b) Size of MHA's units compared to non-assisted rental units from the neighborhood;
  - c) Age, type of unit and condition of MHA's units compared to non-assisted rental units from the neighborhood;
  - d) Land use in the surrounding neighborhood;
  - e) Amenities (childcare, laundry facilities, playgrounds, community rooms, social services, education/job training programs, etc.) at MHA's properties and in the surrounding neighborhood;
  - f) Crime in MHA's developments and the surrounding neighborhood;
  - g) Quality of local schools serving each MHA development;
  - h) Availability of public transportation at each MHA development; and
  - i) Availability of accessible units for persons with mobility impairments.
  - j) Missoula Housing Authority does not use ceiling rents

### **B. ANNUAL UPDATE OF FLAT RENTS**

1. MHA shall review the Flat Rent structure annually and adjust the rents as needed. When a resident chooses flat rent, his/her rent shall be adjusted only at the next regular reexamination/ recertification rather than at the point the flat rent may change.

### **C. RECERTIFICATION OF FAMILIES ON FLAT RENTS**

1. Families paying flat rents are required to recertify income only every three years, rather than annually, although they are still required to participate in an Annual Reexamination in order to ensure that unit size is still appropriate and Community Service requirements (if applicable) are met.

## **XII. DEFINITIONS & PROCEDURES TO BE USED IN DETERMINING INCOME & RENT**

### **A. ANNUAL INCOME<sup>78</sup>**

1. Annual income is the anticipated total income from all sources, including net income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member including all net income from assets for the 12-

month period following the effective date of initial determination or reexamination of income, exclusive of income that is temporary, non-recurring, or sporadic as defined below, or is specifically excluded from income by other federal statute. Annual income includes but is not limited to:

- a) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- b) The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business;
- c) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property;
- d) If 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;
- e) 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 [See B. below for treatment of delayed or deferred periodic payment of social security or supplemental security income benefits.];
- f) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (But see paragraph B.1(c) below concerning treatment of lump-sum additions as Family assets.);
- g) All welfare assistance payments (Temporary Assistance to Needy Families, General Assistance) received by or on behalf of any family member;
- h) Periodic and determinable allowances, such as alimony and child support payments, and regular cash and non-cash contributions or gifts received from agencies or persons not residing in the dwelling made to or on behalf of family members; and
- i) All regular pay, special pay, and allowances of a family member in the Armed Forces. (See paragraph B.1(g) below concerning pay for exposure to hostile fire.)

## **B. ITEMS NOT INCLUDED IN ANNUAL INCOME**<sup>79</sup>

1. Annual Income does not include the following:
  - a) Income from the employment of children (including foster children) under the age of 18 years;
  - b) Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident family, who are unable to live alone);
  - c) Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance, and worker's compensation), capital gains, one-time lottery winnings, and settlement for personal property losses (but see paragraphs 4 and 5 above if the payments are or will be periodic in nature); [See paragraph 14. below for treatment of delayed or deferred periodic payments of Social Security or Supplemental Security Income benefits.]
  - d) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
  - e) Income of a live-in aide, provided the person meets the definition of a live-in aide (See Definition of Terms attached);
  - f) The full amount of student financial assistance paid directly to the student or the educational institution;
  - g) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
  - h) Certain amounts received that are related to participation in the following programs:
    - (i) Amounts received under HUD funded training programs (e.g. Step-up program: excludes stipends, wages, transportation payments, child care vouchers, etc. for the duration of the training);
    - (ii) Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
    - (iii) Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) to allow participation in a specific program;
    - (iv) A resident services stipend. A resident services stipend is a modest amount (not to exceed \$200/month) received by a public housing resident for performing a service for the MHA, 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; and

- (v) Incremental earnings and/or benefits resulting to any family member from participation in qualifying state of local employment training program (including training programs not affiliated with the local government), and training of family members 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 MHA;
- i) Temporary, non-recurring, or sporadic income (including gifts);
- j) Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- k) Earnings in excess of \$480 for each full time student 18 years old or older (excluding the head of the household and spouse);
- l) Adoption assistance payments in excess of \$480 per adopted child;
- m) The incremental earnings and benefits to any resident 1) whose annual income increases due to employment of a family member who was unemployed for one or more years previous to employment; or 2) whose annual income increases as the result of increased earnings by a family member during participation in any economic self sufficiency or other job training program; or 3) whose annual income increases due to new employment or increased earnings of a family member during or within six months of receiving state-funded assistance, benefits or services, **will not be increased during the exclusion period.** For purposes of this paragraph, the following definitions apply:
  - (i) State-funded assistance, benefits or services means any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the MHA in consultation with the local agencies administering Temporary Assistance for Needy Families (TANF) and Welfare-to-Work programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance—provided that the total amount over a six-month period is at least \$500.
  - (ii) During the 12-month period beginning when the member first qualifies for a disallowance, the MHA must exclude from Annual Income any increase in income as a result of employment. For the 12 months following the exclusion period, 50% of the income increase shall be excluded.
  - (iii) Regardless of how long it takes a resident to work for 12 months (to qualify for the first exclusion) or the second 12 months (to qualify for the second

exclusion), the maximum period for the disallowance(exclusion) is 48 months.

- (iv) The disallowance of increased income under this section is only applicable to current residents and will not apply to applicants who have begun working prior to admission (unless their earnings are less than would be earned working ten hours per week at minimum wage, under which they qualify as unemployed).
  - n) Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment;
  - o) 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;
  - p) 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;
  - q) 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 by HUD in the Federal Register identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.)
2. The following is a list of benefits excluded by other Federal Statute:
- a) The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977 **[7 USC 2017 (h)]**;
  - b) Payments to volunteers under the Domestic Volunteer Service Act of 1973 **[42 USC 5044 (g), 5088]**;
    - (i) Examples of programs under this Act include but are not limited to:
      - ◆ the Retired Senior Volunteer Program (RSVP), Foster Grandparent Program (FGP), Senior Companion Program (SCP), and the Older American Committee Service Program;
      - ◆ National Volunteer Antipoverty Programs such as VISTA, Peace Corps, Service Learning Program, and Special Volunteer Programs;
      - ◆ Small Business Administration Programs such as the National Volunteer Program to Assist Small Business and Promote Volunteer Service to Persons with Business Experience, Service Corps of Retired Executives (SCORE), and Active Corps of Executives (ACE).



- ♦ Payments received under the Alaska Native Claims Settlement Act [**43 USC.1626 (a)**];
  - ♦ Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes [(**25 USC. 459e**);
  - ♦ Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program [**42 USC 8624 (f)**];
  - ♦ Payments received under programs funded in whole or in part under the Job Training Partnership Act [**29 USC 1552 (b)**] ;
  - ♦ Income derived from the disposition of funds of the Grand River Band of Ottawa Indians [**Pub. L. 94-540, 90 Stat 2503-04**];
  - ♦ The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (**25 USC 1407-08**), or from funds held in trust for an Indian Tribe by the Secretary of Interior [**25 USC 117b, 1407**]; and
  - ♦ Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work study program or under the Bureau of Indian Affairs student assistance programs [**20 USC 1087 uu**].
    - Examples of Title IV programs include but are not limited to: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College Work Study, and Byrd Scholarships.
- c) Payments received from programs funded under Title V of the Older Americans Act of 1965 [**42 USC 3056 (f)**]:
- (i) Examples of programs under this act include but are not limited to: Senior Community Services Employment Program (CSEP), National Caucus Center on the Black Aged, National Urban League, Association National Pro Personas Mayores, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.
- d) Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established in the In Re Agent Orange product liability litigation;
- e) Payments received under the Maine Indian Claims Settlement Act of 1980 (**Pub. L. 96-420, 94 Stat. 1785**);
- f) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (**42 USC 9858q**);
- g) Earned income tax credit refund payments received on or after January 1, 1991 (**26 USC 32 (j)**).
- h) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;

- i) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990.

**C. ANTICIPATING ANNUAL INCOME<sup>xxv</sup>**

1. If it is not feasible to anticipate income for a 12-month period, the Authority may use the annualized income anticipated for a shorter period, subject to an Interim Adjustment at the end of the shorter period. (This method would be used for teachers who are only paid for 9 months, or for tenants receiving unemployment compensation.)

**D. ADJUSTED INCOME<sup>xxvi</sup>**

1. Adjusted Income (the income upon which rent is based) means Annual Income less the following deductions and exemptions:
  2. For All Families
    - a) **Child Care Expenses** — A deduction of amounts anticipated to be paid by the family for the care of children under 13 years of age for the period for which Annual Income is computed, BUT ONLY when such care is necessary to enable a family member to be gainfully employed, to seek employment or to further his/her education. Amounts deducted must be unreimbursed expenses and shall not exceed: (a) the amount of income earned by the family member released to work; or (b) an amount determined to be reasonable by MHA when the expense is incurred to permit education or to seek employment.
    - b) **Dependent Deduction** — An exemption of \$480 for each member of the family residing in the household (other than the head of household, or spouse, Live-in Aide, foster adult or foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, or a full-time student.
    - c) **Work-related Disability Expenses** — A deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for family members with disabilities where such expenses are necessary to permit a family member(s), including the disabled member, to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work.
      - (i) Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for the visually impaired, and equipment added to cars and vans to permit their use by the disabled family member. Also included would be the annualized cost differential between a car and the cost of a van required by the family member with disabilities.

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<sup>xxv</sup> 24CFR §5.609(d)

<sup>xxvi</sup> 24CFR §5.611

- d) For non-elderly families and elderly or disabled families without medical expenses: the amount of the deduction equals the cost of all unreimbursed expenses for work-related disability expense less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.
  - e) For elderly or disabled families with medical expenses: the amount of the deduction equals the cost of all unreimbursed expenses for work-related disability expense less three percent of Annual Income (provided the amount so calculated does not exceed the employment income earned) PLUS medical expenses as defined below.
3. For elderly and disabled families only:
- a) **Medical Expense Deduction** — A deduction of unreimbursed Medical Expenses, including insurance premiums, anticipated for the period for which Annual Income is computed.
    - (i) Medical expenses include but are not limited to: services of physicians and other health care professionals, services of health care facilities, health insurance premiums (including the cost of Medicare), prescription and non-prescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills. To be considered by MHA for the purpose of determining a deduction from income, the expenses claimed must be verifiable.
  - b) For elderly or disabled families without work-related disability expenses: The amount of the deduction shall equal total medical expenses less three percent of annual income.
  - c) For elderly or disabled families with both work-related disability expenses and medical expenses: the amount of the deduction is calculated as described in paragraph 3 (b) above.
  - d) Elderly/Disabled Household Exemption — An exemption of \$400 per household.
4. See Definitions in Glossary
5. Optional Deductions/Exemptions: MHA has no optional deductions or exemptions.

#### **E. COMPUTING RENT**

1. The first step in computing rent is to determine each family's Total Tenant Payment. Then, if the family is occupying a unit that has tenant-paid utilities, the Utility Allowance is subtracted from the Total Tenant Payment. The result of this computation, if a positive number, is the Tenant Rent. If the Total Tenant Payment less the Utility Allowance is a negative number, the result is the utility reimbursement, which will be paid to the tenant by MHA.

- a) **Total Tenant Payment is the highest of:**
  - (i) **30% of adjusted monthly income;** or
  - (ii) **10% of monthly income;** but never less than the
  - (iii) **Minimum Rent;** and never more than the
  - (iv) **Flat Rent, if chosen by the family**
2. Tenant rent is computed by subtracting the utility allowance for tenant supplied utilities (if applicable) from the Total Tenant Payment. In developments where the MHA pays all utility bills directly to the utility supplier, Tenant Rent equals Total Tenant Payment.
3. The Minimum Rent shall be \$50.00 per month, but a hardship exemption shall be granted to residents who can document that they are unable to pay the \$50.00 because of a long-term hardship (over 90 days). Examples under which residents would qualify for the long-term hardship exemption to the minimum rent are limited to the following:
  - a) The family has lost eligibility for or is applying for an eligibility determination for a Federal, State or local assistance program;
  - b) The family would be evicted as result of the imposition of the minimum rent requirements;
  - c) The income of the family has decreased because of changed circumstances, including loss of employment;
  - d) A death in the family has occurred; or
  - e) Other circumstances as determined by MHA
4. The minimum rent hardship exemption is retroactive to October 21, 1998, so if any resident who qualified for the hardship exemption was charged a minimum rent since that time, the resident may be entitled to a retroactive credit.
5. At initial certification and at each subsequent annual reexamination the resident shall be offered a choice of paying either the income-based rent or the Flat Rent applicable to the unit they will be occupying.

### **XIII. PET POLICY**

#### **A. MIXED POPULATION HOUSING PET POLICY**

1. Exclusions
  - a) The following policies do not pertain to animals that assist or provide service to persons with disabilities, referred to in this policy as “service animals.” Requests for service animals will be considered on a case-by-case basis. Requests must be made in writing prior to acquisition of the animal or prior to lease-up if the animal is already owned, and accompanied by a letter from a knowledgeable professional

documenting the need for the animal as a reasonable accommodation for a person with a disability.

- b) Service animals are allowed in all units owned and managed by the Missoula Housing Authority with no restrictions other than those imposed on all tenants to maintain their units and associated facilities in a decent, safe, and sanitary manner and to refrain from disturbing their neighbors. Owners of service animals are required to be in compliance with all State and local public health, animal control, and animal anti-cruelty laws and regulations, including requirements for licensing and vaccinations. This exclusion applies to service animals that reside in public housing projects, as well as to service animals that visit these projects. Nothing in this policy:
  - (i) Limits or impairs the rights of persons with disabilities,
  - (ii) Authorizes the Missoula Housing Authority to limit or impair the rights of persons with disabilities;
  - (iii) Affects any authority that the Missoula Housing Authority may have to regulate service animals that assist, support or provide service to persons with disabilities, under Federal, State, or local law. (CFR 24 Section 5.303)

## 2. Pet Rules:

- a) You must have prior written approval from the Missoula Housing Authority before bringing any pet onto the premises. Prior to accepting a pet for residency, you must provide to MHA proof of animal's licensing, vaccination record, proof of spaying or neutering, and the name and a photo of the animal(s). You are also required to sign a statement that you have read and received a copy of this Pet Policy and agree to comply with its provisions. Proof of licensing and vaccinations must be provided each year at the time of tenant's annual recertification.
- b) Only domesticated, common household pets will be allowed. Pets of vicious or aggressive disposition or those with poisonous bites or stings deemed by management to be potentially harmful to the health and safety of others are prohibited. The following types of common household pets will be permitted under the following criteria:
  - (i) Dogs:
    - ◆ Only one dog is permitted
    - ◆ Must be 40 pounds or less when fully grown
    - ◆ Must be licensed by the City of Missoula
    - ◆ Must have proof of spay or neuter
    - ◆ Must have proof of all required vaccinations
    - ◆ Must wear a collar with license tag affixed at all times the following breeds of dog are not allowed: Rottweilers, Pit Bulls, Doberman Pinschers, German Shepherds, or dogs of mixed-breed with identifiable characteristics specific to one of the prohibited breeds.
  - (ii) Cats:
    - ◆ Only one cat is permitted

- ◆ Must have proof of spay or neuter
  - ◆ Must have proof of all required vaccinations
  - ◆ Must be trained to the litter box
- (iii) Birds:
- ◆ No more than two birds are permitted
  - ◆ Cages may be no larger than 4 feet high by 3 feet wide by 2 feet deep, and must have removable litter trays to permit daily cleaning.
  - ◆ Birds must be maintained inside of cage at all times
  - ◆ No birds of prey or other dangerous species are permitted.
- (iv) Small caged animals:
- ◆ Only Guinea pigs, hamsters, gerbils, or small non-poisonous lizards are permitted.
  - ◆ No more than two caged animals are permitted.
  - ◆ Small animals must be caged at all times.
- (v) Aquariums:
- ◆ Must not exceed twenty (20) gallons
  - ◆ One aquarium is permitted
- c) A maximum of three (3) common household pets is allowed. Only one dog or one cat is allowed; the second and third pet must be caged. If there is no cat or dog, a maximum of two (2) caged pets is allowed.
- d) A refundable pet deposit of \$100.00 per cat or dog must be paid in full before the pet is brought onto the premises. The pet deposit will be refunded, along with any interest accrued, less the cost of cleaning or damages directly attributable to the pet, when the resident moves out or no longer has a pet on the premises, whichever occurs first. In cases of financial hardship, MHA may allow tenant to make a payment arrangement which requires one-half (2) of the deposit when the pet is brought onto the premises with up to three (3) months to pay the balance due. (The pet deposit rule does not apply to pets in senior housing before the implementation date of this policy.)
- e) Owners of animals are required to reimburse the housing authority for the actual cost of any and all damages caused by his/her pet or service animal. If a pet deposit has been paid, damages will first be charged to the deposit. Owner is liable for any charges that exceed the amount of the pet deposit.
- f) MHA is not responsible for any action, injuries or damages caused by any tenant's animal(s). Animals are the sole responsibility of the owner. MHA assumes no liability for failure of the animal owner to control the pet. Any injury or harm to other persons, animals, or property is the sole responsibility and liability of the animal owner. It is recommended that owners purchase liability insurance for this purpose.

- g) Animals must be appropriately and effectively restrained and under the control of a responsible individual at all times when not inside the resident's unit. When outside the unit, dogs must be on a hand-held leash and under the owner's control at all times.
- h) Pets shall use common areas inside a building only for the purpose of passing to the outside of the building, except for service animals.
- i) Tenant is fully and solely responsible for promptly cleaning up and properly disposing of any waste or droppings, both inside and outside of their units. Pet waste must be bagged and disposed of in appropriate trash receptacles. Repeated failure by a resident to take responsibility for waste disposal shall be deemed a violation of the lease.
- j) Tenant shall take adequate precautions to keep the dwelling unit and surrounding areas free of pet odors, insect infestation, waste and litter, and maintain unit in a sanitary condition at all times.
- k) No unauthorized animal(s) may visit or be harbored in any unit owned by the MHA without prior written approval. Tenants are prohibited from feeding stray or wild animals (the exception, common birds that feed at bird feeders). Feeding of wild animals or strays shall constitute having a pet without permission.
- l) No animal will be allowed that constitutes a nuisance or threat to any tenant or detracts from any tenant's quiet enjoyment of their unit or the common areas of the complex. A nuisance or threat includes, but is not limited to, noise, smell, animal waste, and aggressive or vicious behavior.
- m) In the event your dog, cat, or other mammal bites an individual, you must report the event to the appropriate city police and/or health officials and the Housing Authority within twenty-four (24) hours of the bite.
- n) Tenant shall not alter the premises, including the unit, patio, or common area to create an enclosure for an animal, without express written permission from MHA management.
- o) If pets or service animals are left unattended for 24 hours or more, the MHA reserves the right to enter and remove the animal(s) and transfer them to the proper authority.
- p) If the health or safety of an animal is threatened by the death or incapacity of the owner, or by other factors that render the animal owner unable to care for the animal, the tenant agrees that MHA has permission to enter the owner's unit, remove the animal, and place it in a facility that will provide care and shelter. MHA will take every precaution to place the animal in a reputable well-known facility, however MHA is not responsible for the care of the animal after the placement is made.

- q) An applicant who rejects an offer of housing because of a refusal to comply with the pet policy will not be allowed a “good cause” exception. All applicants are subject to the pet policy and may not move in with a pet that is not in compliance with this policy.
- r) An animal which displays vicious, dangerous, intimidating behavior, displays symptoms of severe illness, or demonstrates behavior that constitutes an immediate threat to the health or safety of others, shall be referred by MHA to the appropriate state or local entity authorized to remove such animals. Such animals are subject to immediate removal from the premises.
- s) Violation of any of the foregoing rules will result in a two-week notice to remove the animal from the premises. If this notice is disregarded, a thirty-day eviction notice will be issued.

## **B. FAMILY HOUSING PET POLICY**

### **1. Exclusions:**

- a) The following policies do not pertain to animals that assist or provide service to persons with disabilities, referred to in this policy as “service animals.” Requests for service animals will be considered on a case-by-case basis. Requests must be made in writing prior to acquisition of the animal or prior to lease-up if the animal is already owned, and accompanied by a letter from a knowledgeable professional documenting the need for the animal as a reasonable accommodation for a person with a disability.
- b) Service animals are allowed in all units owned and managed by the Missoula Housing Authority with no restrictions other than those imposed on all tenants to maintain their units and associated facilities in a decent, safe, and sanitary manner and to refrain from disturbing their neighbors. Owners of service animals are required to be in compliance with all State and local public health, animal control, and animal anti-cruelty laws and regulations, including requirements for licensing and vaccinations. This exclusion applies to service animals that reside in public housing projects, as well as to service animals that visit these projects. Nothing in this policy:
  - (i) Limits or impairs the rights of persons with disabilities,
  - (ii) Authorizes the Missoula Housing Authority to limit or impair the rights of persons with disabilities;
  - (iii) Affects any authority that the Missoula Housing Authority may have to regulate service animals that assist, support or provide service to persons with disabilities, under Federal, State, or local law. (CFR 24 Section 5.303)

### **2. Pet Rules:**

- a) You must have prior written approval from the Missoula Housing Authority before bringing any pet onto the premises. Prior to accepting a pet for residency, you must provide to MHA proof of animal’s licensing, vaccination record, proof of spaying or



neutering, and the name and a photo of the animal(s). You are also required to sign a statement that you have read and received a copy of this Pet Policy and agree to comply with its provisions. Proof of licensing and vaccinations must be provided each year at the time of tenant's annual recertification.

- b) Only domesticated, common household pets will be allowed. Pets of vicious or aggressive disposition or those with poisonous bites or stings deemed by management to be potentially harmful to the health and safety of others are prohibited. The following types of common household pets will be permitted under the following criteria:
- (i) Dogs:
    - ◆ Only one dog is permitted
    - ◆ Must be 40 pounds or less when fully grown
    - ◆ Must be licensed by the City of Missoula
    - ◆ Must have proof of spay or neuter
    - ◆ Must have proof of all required vaccinations
    - ◆ Must wear a collar with license tag affixed at all times the following breeds of dog are not allowed: Rottweilers, Pit Bulls, Doberman Pinschers, German Shepherds, or dogs of mixed-breed with identifiable characteristics specific to one of the prohibited breeds.
  - (ii) Cats:
    - ◆ Only one cat is permitted
    - ◆ Must have proof of spay or neuter
    - ◆ Must have proof of all required vaccinations
    - ◆ Must be trained to the litter box
  - (iii) Birds:
    - ◆ No more than two birds are permitted
    - ◆ Cages may be no larger than 4 feet high by 3 feet wide by 2 feet deep, and must have removable litter trays to permit daily cleaning.
    - ◆ Birds must be maintained inside of cage at all times
    - ◆ No birds of prey or other dangerous species are permitted.
  - (iv) Small caged animals:
    - ◆ Only Guinea pigs, hamsters, gerbils, or small non-poisonous lizards are permitted.
    - ◆ No more than two caged animals are permitted.
    - ◆ Small animals must be caged at all times.
  - (v) Aquariums:
    - ◆ Must not exceed twenty (20) gallons
    - ◆ One aquarium is permitted
- c) A maximum of three (3) common household pets is allowed. Only one dog or one cat is allowed; the second and third pet must be caged. If there is no cat or dog, a maximum of two (2) caged pets is allowed.

- d) A non-refundable fee of \$25.00 and a refundable pet deposit of \$100.00 per cat or dog must be paid in full before the pet is brought onto the premises. The pet deposit will be refunded, along with any interest accrued, less the cost of cleaning or damages directly attributable to the pet, when the resident moves out or no longer has a pet on the premises, whichever occurs first. In cases of financial hardship, MHA may allow tenant to make a payment arrangement which requires one-half (1/2) of the deposit when the pet is brought onto the premises with up to three (3) months to pay the balance due. (The pet deposit rule does not apply to pets in senior housing before the implementation date of this policy.)
- e) Owners of animals are required to reimburse the housing authority for the actual cost of any and all damages caused by his/her pet or service animal. If a pet deposit has been paid, damages will first be charged to the deposit. Owner is liable for any charges that exceed the amount of the pet deposit.
- f) MHA is not responsible for any action, injuries or damages caused by any tenant's animal(s). Animals are the sole responsibility of the owner. MHA assumes no liability for failure of the animal owner to control the pet. Any injury or harm to other persons, animals, or property is the sole responsibility and liability of the animal owner. It is recommended that owners purchase liability insurance for this purpose.
- g) Animals must be appropriately and effectively restrained and under the control of a responsible individual at all times when not inside the resident's unit. When outside the unit, dogs must be on a hand-held leash and under the owner's control at all times.
- h) Pets shall use common areas inside a building only for the purpose of passing to the outside of the building, except for service animals.
- i) Tenant is fully and solely responsible for promptly cleaning up and properly disposing of any waste or droppings, both inside and outside of their units. Pet waste must be bagged and disposed of in appropriate trash receptacles. Repeated failure by a resident to take responsibility for waste disposal shall be deemed a violation of the lease.
- j) Tenant shall take adequate precautions to keep the dwelling unit and surrounding areas free of pet odors, insect infestation, waste and litter, and maintain unit in a sanitary condition at all times.
- k) No unauthorized animal(s) may visit or be harbored in any unit owned by the MHA without prior written approval. Tenants are prohibited from feeding stray or wild animals (the exception, common birds that feed at bird feeders). Feeding of wild animals or strays shall constitute having a pet without permission.
- l) No animal will be allowed that constitutes a nuisance or threat to any tenant or detracts from any tenant's quiet enjoyment of their unit or the common areas of the

complex. A nuisance or threat includes, but is not limited to, noise, smell, animal waste, and aggressive or vicious behavior.

- m) In the event your dog, cat, or other mammal bites an individual, you must report the event to the appropriate city police and/or health officials and the Housing Authority within twenty-four (24) hours of the bite.
- n) Tenant shall not alter the premises, including the unit, patio, or common area to create an enclosure for an animal, without express written permission from MHA management.
- o) If pets or service animals are left unattended for 24 hours or more, the MHA reserves the right to enter and remove the animal(s) and transfer them to the proper authority.
- p) If the health or safety of an animal is threatened by the death or incapacity of the owner, or by other factors that render the animal owner unable to care for the animal, the tenant agrees that MHA has permission to enter the owner's unit, remove the animal, and place it in a facility that will provide care and shelter. MHA will take every precaution to place the animal in a reputable well-known facility, however MHA is not responsible for the care of the animal after the placement is made.
- q) An applicant who rejects an offer of housing because of a refusal to comply with the pet policy will not be allowed a "good cause" exception. All applicants are subject to the pet policy and may not move in with a pet that is not in compliance with this policy.
- r) An animal which displays vicious, dangerous, intimidating behavior, displays symptoms of severe illness, or demonstrates behavior that constitutes an immediate threat to the health or safety of others, shall be referred by MHA to the appropriate state or local entity authorized to remove such animals. Such animals are subject to immediate removal from the premises.
- s) Violation of any of the foregoing rules will result in a two-week notice to remove the animal from the premises. If this notice is disregarded, a thirty-day eviction notice will be issued.

## DEFINITIONS OF TERMS

1. Accessible dwelling units -- when used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route and when designed, constructed, altered, or adapted can be approached, entered, and used by individuals with physical disabilities. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR § 8.32 & § 40 [the Uniform Federal Accessibility Standards] is “accessible” within the meaning of this paragraph. When an individual dwelling unit in an existing facility is being modified for use by a specific individual, the unit will not be deemed accessible, even though it meets the standards that address the impairment of that individual, unless it also meets the UFAS standards.
2. Accessible Facility - means all or any portion of a facility *other than an individual dwelling unit* used by individuals with physical disabilities. [24 CFR § 8.21]
3. Accessible Route - For persons with a mobility impairment, a continuous unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards. For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility. [24 CFR § 8.3 & § 40.3.5]
4. Adaptability - Ability to change certain elements in a dwelling unit to accommodate the needs of disabled and non-disabled persons; or ability to meet the needs of persons with different types & degrees of disability. [24 CFR § 8.3 & § 40.3.5]
5. Adult - A Person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State or tribal law.
6. Alteration - any change in a facility or its permanent fixtures or equipment. It does not include: normal maintenance or repairs, reroofing, interior decoration or changes to mechanical systems. [24 CFR § 8.3 & § 8.23 (b)]
7. Applicant - a person or a family that has applied for admission to housing.
8. Area of Operation - The jurisdiction of the PHA as described in applicable State law and the PHA’s Articles of Incorporation.
9. Assets - Assets means “cash (including checking accounts), stocks, bonds, savings, equity in real property, or the cash value of life insurance policies. Assets do not include the value of personal property such as furniture, automobiles and household effects or the value of business assets.” IMPORTANT: See the definition of Net Family Assets, for assets used to compute annual income. (See 24 CFR § 5.603 for definition of Net Family Assets)
10. Auxiliary Aids - means services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs or activities. [24 CFR § 8.3]
11. Care Attendant (or Personal Care Attendant) - a person that regularly visits the unit of a PHA resident to provide supportive or medical services. Care attendants are not live-in aides, since

they have their own place of residence (and if requested by PHA must demonstrate separate residence) and do not live in the public housing unit. Care attendants have no rights of tenancy.

12. Co-head of Household - a household where two persons are held responsible and accountable for the family, and where each co-head contributes to the rent.
13. Covered Person – For the purposes of screening and terminating tenancy for criminal activity, a tenant, any member of the tenant’s household, a guest, or another person under the tenant’s control.
14. 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 or older and disabled, or a full-time student, and qualifies for a \$480 deduction when computing income-based rent. **[24 CFR § 5.603]**
15. Designated Family - means the category of family for whom PHA elects (subject to HUD approval) to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992 Housing Act. **(PL 96-120)**
16. Designated housing (or designated project) - a project(s), or portion of a project(s) designated for elderly only or for disabled families only in accordance with **PL 96-106**.
17. Disabled Family - A family whose head, spouse or sole member is a person with disabilities. (Person with disabilities is defined later in this section.) The term includes two or more persons with disabilities living together, and one or more such persons living with one or more persons including live-in aides determined to be essential to the care and well-being of the person or persons with disabilities. A disabled family may include persons with disabilities who are elderly. **[24 CFR § 5.403]**
18. Displaced Person - A person displaced by government action or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise recognized pursuant to Federal disaster relief laws. This definition is used for eligibility determinations only. It should not be confused with the former Federal preference for involuntary displacement. **[(42 USC 1437a(b)(3))]**
19. Divestiture Income - Imputed income from assets, including business assets, disposed of by applicant or resident in the last two years at less than fair market value. (See the definition of Net Family Assets **[24 CFR § 5.603]** in this section.)
20. Drug – A controlled substance as defined in the Controlled Substances Act. **[24 CFR § 5.100]**
21. Drug-related Criminal Activity – The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell distribute or use the drug. **[24 CFR § 5.100]**
22. Elderly Family - A family whose head or spouse (or sole member) is at least 62 years of age. It may include two or more elderly persons living together, and one or more such persons living with one or more persons, including live-in aides, determined to be essential to the care and

well-being of the elderly person or persons. An elderly family may include elderly persons with disabilities and other family members who are not elderly. [24 CFR § 5.403]

23. Elderly Person - A person who is at least 62 years of age. [42 USC 1437a(b)(3)]
24. Extremely Low Income Family – A Family whose Annual Income is equal to or less than 30% of Area Median Income, as published by HUD.
25. Family –
  - a. Two or more persons (with or without children) regularly living together, related by blood, marriage, adoption, guardianship or operation of law who will live together in PHA housing;  
OR
  - b. two or more persons who are not so related, but are regularly living together, can verify shared income or resources who will live together in PHA housing.
  - c. The term family also includes the following terms defined in this Section:
    - ◆ Elderly family
    - ◆ Near elderly family
    - ◆ Disabled family
    - ◆ Displaced person
    - ◆ Single person
    - ◆ Remaining member of a tenant family,
    - ◆ a foster care arrangement, or a kinship care arrangement
    - ◆ Other persons, including members temporarily absent (e.g. a child temporarily placed in foster care) may be considered a part of the applicant family’s household if they are living or will live regularly with the family. [24 CFR §§ 5 and 960]
    - ◆ Live-in Aides may also be considered part of the applicant family’s household. However, live-in aides are not *family* members and have no rights of tenancy or continued occupancy.
    - ◆ Foster Care Arrangements include situations in which the family is caring for a foster adult, child or children in their home who have been placed there by a public child placement agency, or a foster adult or adults placed in the home by a public adult placement agency. For purposes of continued occupancy: the term family also includes the remaining member of a resident family with the capacity to execute a lease.
26. 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. Educational institution shall include but not be limited to: college, university, secondary school, vocational school or trade school [24 CFR 5.603].
27. Guest – For the purposes of determining whether an individual’s criminal activity is the responsibility of the tenant, a guest is a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of the lease apply to a guest as so defined.
28. Head of the Household - The family member (identified by the family) who is held responsible and accountable for the family.

29. Household – The family and a PHA-approved Live-in Aide

30. Individual with Disabilities, Section 504 definition [24 CFR § 8.3]

- a. Section 504 definitions of Individual with Disabilities and Qualified Individual with Disabilities are not the definitions used to determine program eligibility. Instead, use the definition of person with disabilities as defined later in this section. Note: the Section 504, Fair Housing, and Americans with Disabilities Act (ADA) definitions are similar. ADA uses the term “individual with a disability”.
- b. Individual with disabilities means any person who has:
  - ♦ A physical, mental or emotional impairment that:
    - a) substantially limits one or more major life activities;
    - b) has a record of such an impairment;
    - c) or is regarded as having such an impairment.
    - d) For purposes of housing programs, the term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.
  - ♦ Definitional elements:
    - a) “physical or mental impairment” means any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems:
      - (i) Neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
      - (ii) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.
    - b) “Major life activities” means functions such as caring for one’s self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.
    - c) “Has a record of such an impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.
    - d) “Is regarded as having an impairment” means has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation; or
      - (i) Has a physical or mental impairment that substantially limits one or more major life activities only as result of the attitudes of others toward such impairment; or
      - (ii) Has none of the impairments defined in this section but is treated by a recipient as having such an impairment.

- (iii) NOTE: A person would be covered under the first item if PHA refused to serve the person because of a perceived impairment and thus “treats” the person in accordance with this perception. The last two items cover persons who are denied the services or benefits of PHA’s housing program because of myths, fears, and stereotypes associated with the disability or perceived disability.
- ◆ The 504 definition of disability does not include homosexuality, bisexuality, or transvestitism. Note: These characteristics do not disqualify an otherwise disabled applicant/resident from being covered.
- c. The 504 definition of individual with disabilities is a civil rights definition. To be considered for admission to public housing a person must meet the program definition of person with disabilities found in this section.
31. Kinship Care - an arrangement in which a relative or non-relative becomes the primary caregiver for a child or children but is not the biological parent of the child or children. The primary caregiver need not have legal custody of such child or children to be a kinship caregiver under this definition. (Definition provided by the Kinship Care Project, National Association for Public Interest Law)
32. Live-in Aide - A person who resides with an elderly person(s), near elderly person(s) or person(s) with disabilities and who: (a) is determined by PHA to be essential to the care and well being of the person(s); (b) is not obligated to support the family member; and (c) would not be living in the unit except to provide the necessary supportive services **[24 CFR 5.403]**.
- a. PHA policy on Live-in Aides stipulates that:
    - ◆ Before a Live-in Aide may be moved into a unit, a third-party verification must be supplied that establishes the need for such care and the fact that the live-in aide is qualified to provide such care;
    - ◆ Move-in of a Live-in Aide must not result in overcrowding of the existing unit according to the maximum-number-of-persons per-unit standard (although, a reasonable accommodation for a resident with a disability may be to move the family to a larger unit);
    - ◆ Live-in Aides have no right to the unit as a remaining member of a resident family;
    - ◆ Relatives who satisfy the definitions and stipulations above may qualify as Live-in Aides, but only if they sign a statement prior to moving in relinquishing all rights to the unit as the remaining member of a resident family;
    - ◆ A Live-in aide is a single person;
    - ◆ A Live-in Aide will be required to meet PHA’s screening requirements with respect to past behavior especially:
      - a) A record of disturbance of neighbors, destruction of property, or living or housekeeping habits at present or prior residences that may adversely affect the health, safety, or welfare of other tenants or neighbors;
      - b) Criminal activity such as crimes of physical violence to persons or property and other criminal acts including drug-related criminal activity that would adversely affect the health, safety, or welfare of other residents or staff or cause damage to the unit or



the development; and A record of eviction from housing or termination from residential programs.

33. Low-Income Household - 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 **[42 USC 1437a(b0)]**
34. Medical Expense Allowance - For purposes of calculating adjusted income for elderly or disabled families only, medical expenses mean the medical expense in excess of 3% of Annual Income, where these expenses are not compensated for or covered by insurance. **[24 CFR § 5.603]**.
35. Minor - A minor is a person less than 18 years of age. An unborn child will not be considered as a minor. (See definition of dependent.) Some minors are permitted to execute contracts, provided a court declares them “emancipated”.
36. Mixed Population Project - means a public housing project for elderly and disabled families. The PHA is not required to designate this type of project under the Extension Act. (PIH Notice 97-12)
37. Multifamily Housing Project - For purposes of Section 504, means a project containing five or more dwelling units. **[24 CFR § 8.3]**
38. Near-elderly Family - means a family whose head, spouse, or sole member is a near-elderly person (at least 50 but less than 62 years of age), who may be a person with a disability. The term includes two or more near-elderly persons living together, and one or more such persons living with one or more persons who are determined to be essential to the care or well-being of the near-elderly person or persons. A near-elderly family may include other family members who are not near-elderly. **[24 CFR§ 5.403]**
39. Near-elderly Person - means a person who is at least 50 years of age but below 62, who may be a person with a disability **[42 USC 1437a(b)(3)]**
40. Net Family Assets - The net cash value, after deducting reasonable costs that would be incurred in disposing of: **[24 CFR § 5.603]**
  - a. Real property (land, houses, mobile homes)
  - b. Savings (CDs, IRA or KEOGH accounts, checking and savings accounts, precious metals)
  - c. Cash value of whole life insurance policies
  - d. Stocks and bonds (mutual funds, corporate bonds, savings bonds)
  - e. Other forms of capital investments (business equipment)
  - f. Net cash value is determined by subtracting the reasonable costs likely to be incurred in selling or disposing of an asset from the market value of the asset. Examples of such costs are: brokerage or legal fees, settlement costs for real property, or penalties for withdrawing saving funds before maturity.
  - g. Net Family assets also include the amount in excess of any consideration received for assets disposed of by an applicant or resident for less than fair market value during the two years preceding the date of the initial certification or reexamination. This does not apply to assets transferred as the result of a foreclosure or bankruptcy sale.

- h. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be less than fair market value if the applicant or resident receives important considerations not measurable in dollar terms [24 CFR §5.603(b)(3)].
41. Other Person Under the Tenant’s Control – The person, although not staying as a guest in the unit is or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant’s control (e.g. the Pizza Delivery person).
42. Person with Disabilities<sup>xxvii</sup> [42 USC 1437a(b)(3)] means a person<sup>xxviii</sup> who —
- a. Has a disability as defined in Section 223 of the Social Security Act (42 USC 423); or,
  - b. Has a physical, mental or emotional impairment that:
    - ♦ Is expected to be of long continued and indefinite duration;
    - ♦ Substantially impedes his/her ability to live independently; and,
    - ♦ Is of such nature that such disability could be improved by more suitable housing conditions; or,
    - ♦ Has a developmental disability as defined in Section 102 (5) (b) of the Developmental Disabilities Assistance and Bill of Rights Act [42 USC 6001 (5)].
43. Portion of Project - includes, one or more buildings in a multi-building project; one or more floors of a project or projects; a certain number of dwelling units in a project or projects. [24 CFR § 945.105]
44. Project, Section 504 - means the whole of one or more residential structures & appurtenant structures, equipment, roads, walks, & parking lots that are covered by a single contract for Federal financial assistance or application for assistance, or are treated as a whole for processing purposes, whether or not located on a common site. [24 CFR § 8.3]
45. Premises – The building or complex or development in which the public housing dwelling is located, including common areas and grounds.
46. Qualified Individual with Disabilities, Section 504 - means an individual with disabilities who meets the essential eligibility requirements and who can achieve the purpose of the program or activity without modifications in the program or activity that the PHA can demonstrate would result in a fundamental alteration in its nature.
- a. Essential eligibility requirements include: ...stated eligibility requirements such as income as well as other explicit or implicit requirements inherent in the nature of the program or activity, such as requirements that an occupant of multifamily housing be capable of meeting the recipient’s selection criteria and be capable of complying with all obligations of

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<sup>xxvii</sup> NOTE: This is the program definition for public housing. The 504 definition does not supersede this definition for eligibility or admission. [24 CFR 8.4 (c) (2)]

<sup>xxviii</sup> A person with disabilities may be a child.

occupancy with or without supportive services provided by persons other than the PHA.

47. Single Person - A person who is not an elderly person, a person with disabilities, a displaced person, or the remaining member of a resident family.
48. Spouse - Spouse means the husband or wife of the head of the household.
49. Tenant Rent - The amount payable monthly by the Family as rent to PHA. Where all utilities (except telephone) and other essential housing services are supplied by the Authority, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone) and other essential housing services are not supplied by the PHA and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less the Utility Allowance [24 CFR § 5.603].
50. Total Tenant Payment (TTP) - The TTP, or income-based rent, is calculated using the following formula:
  - a. The greatest of 30% of the monthly Adjusted Income (as defined in these policies) or 10% of the monthly Annual Income (as defined in these policies), or the Welfare Rent if applicable, but never less than the Minimum Rent or greater than the Ceiling Rent, if any. If the Resident pays and of the utilities directly to the utility supplier, the amount of the Utility Allowance is deducted from the TTP. [24 CFR §5.613] See the definition for Tenant Rent.
51. Uniform Federal Accessibility Standards - Standards for the design, construction, and alteration of publicly owned residential structures to insure that physically disabled persons will have ready access to and use of such structures. The standards are set forth in **Appendix A to 24 CFR Part 40. See cross reference to UFAS in 504 regulations, 24 CFR § 8.32 (a).**
52. Utilities - Utilities means water, electricity, gas, other heating, refrigeration and cooking fuels, trash collection, and sewerage services. Telephone service is not included as a utility [24 CFR § 990.102].
53. Utility Reimbursement - Funds that are reimbursed to the resident or, with the resident's permission, the utility company on the resident's behalf if the utility allowance exceeds the Total Tenant Payment. Tenants who choose to pay flat rents do not receive a utility reimbursement, since the value of the flat rent takes into account any utilities paid by the tenant.
54. Very Low-Income Family - Very low-income family means a family whose Annual Income does not exceed 50 percent of the median Annual Income for the area, with adjustments for smaller and larger families, as determined by the Secretary of Housing and Urban Development [42 USC 1437a(b)].
55. Violent Criminal Activity – Any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause serious bodily injury or property damage.

## ENDNOTES

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- <sup>1</sup> 24 CFR Part 1
  - <sup>2</sup> 24 CFR Part 100
  - <sup>3</sup> 24 CFR Part 8
  - <sup>4</sup> 24 CFR Part 146
  - <sup>5</sup> 24 CFR § 960.103
  - <sup>6</sup> 24 CFR § 960.203
  - <sup>7</sup> 24 CFR §§ 8.21, 8.23, 8.24, and 8.25
  - <sup>8</sup> 24 CFR § 100.204
  - <sup>9</sup> 24 CFR § 8.24(a)(2)
  - <sup>10</sup> 24 CFR § 8.24
  - <sup>11</sup> 24 CFR § 8.23 (b)
  - <sup>12</sup> 24 CFR § 8.24 (a)(1)
  - <sup>13</sup> 24 CFR § 8.24(b)
  - <sup>14</sup> 24 CFR § 8.32(c)
  - <sup>15</sup> 24 CFR § 8.26
  - <sup>16</sup> 24 CFR § 8.26
  - <sup>17</sup> 24 CFR §8.32(c)
  - <sup>18</sup> 24 CFR §8.32(c) and § 40, Uniform Federal Accessibility Standards, 3.5 and 4.1.6(3)
  - <sup>19</sup> 24 CFR §906.202(a)
  - <sup>20</sup> 24 CFR §8.20 and 8.21
  - <sup>21</sup> 24 CFR §8.6
  - <sup>22</sup> 24 CFR §8.6
  - <sup>23</sup> 24 CFR §8.6
  - <sup>24</sup> 24 CFR §8.6
  - <sup>25</sup> 24 CFR §960.103(b)
  - <sup>26</sup> 24 CFR §5.500 Subpart E
  - <sup>27</sup> 24 CFR §5.216
  - <sup>28</sup> 24 CFR §960.203
  - <sup>29</sup> 24 CFR §960.206
  - <sup>30</sup> 24 CFR §85.42
  - <sup>31</sup> 24 CFR §960.206(c)
  - <sup>32</sup> 24 CFR §206(a)(4)
  - <sup>33</sup> 24 CFR §960
  - <sup>34</sup> 24 CFR §960.203(c)
  - <sup>35</sup> 24 CFR §960.203(c)
  - <sup>36</sup> 24 CFR §960.203
  - <sup>37</sup> 24 CFR 8.3 Definition: Qualified individual with disabilities
  - <sup>38</sup> 24 CFR §960.203
  - <sup>39</sup> 24 CFR §960.203(c)(1)
  - <sup>40</sup> 24 CFR §960.208
  - <sup>41</sup> 24 CFR §960.203 (c)(1)
  - <sup>42</sup> 24 CFR §960.203 (c)(2)
  - <sup>43</sup> 24 CFR §960.203 (c)(3)
  - <sup>44</sup> 24 CFR §8.2 Definition: Qualified Individual with disabilities
  - <sup>45</sup> 24 CFR §960.202(a)
  - <sup>46</sup> 24 CFR §8.2 Definition: Qualified Individual with disabilities
  - <sup>47</sup> 24 CFR §960.203(d)
  - <sup>48</sup> 24 CFR §960.203(d)
  - <sup>49</sup> 24 CFR §5.403
  - <sup>50</sup> 24 CFR §5.603
  - <sup>51</sup> 24 CFR §5.500
  - <sup>52</sup> 24 CFR §5.400
  - <sup>53</sup> 24 CFR §960.203
  - <sup>54</sup> 24 CFR §960.208(b)

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- <sup>55</sup> 24 CFR §960.208(a)
  - <sup>56</sup> 24 CFR §966
  - <sup>57</sup> 24 CFR §966.4(p)
  - <sup>58</sup> 24 CFR §966.4(c)(3)
  - <sup>59</sup> 24 CFR §966.4(o)
  - <sup>60</sup> 24 CFR §966.4 (i)
  - <sup>61</sup> 24 CFR §960.203(c) and 966.4(a)(1)(v)
  - <sup>62</sup> 24 CFR §966.4(f)(3) & (c)(2)
  - <sup>63</sup> 24 CFR §966.4(f)(3)
  - <sup>64</sup> 24 CFR §966.4(f)(2)
  - <sup>65</sup> 24 CFR §966.4(f)(3)
  - <sup>66</sup> 24 CFR §100.5
  - <sup>67</sup> 24 CFR §35.1345(a)(2)
  - <sup>68</sup> 24 CFR §5.508
  - <sup>69</sup> 24 CFR §960.257
  - <sup>70</sup> 24 CFR §960.259(c)
  - <sup>71</sup> 24 CFR §5
  - <sup>72</sup> 24 CFR §966.4(c)(2)
  - <sup>73</sup> 24 CFR §966.4(c) & (o)
  - <sup>74</sup> 24 CFR §966.4(c)(3)
  - <sup>75</sup> 24 CFR §960.259(c)
  - <sup>76</sup> 24 CFR §966.4(1)(2)
  - <sup>77</sup> 24 CFR §965 & 966.4(b)(2)
  - <sup>78</sup> 24 CFR §5.609
  - <sup>79</sup> 24 CFR §5.609