

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

PHA Plans

5 Year Plan for Fiscal Years 2005 - 2009
Annual Plan for Fiscal Year 2005

Memphis Housing Authority (TN001)
700 Adams Avenue
Memphis, TN 38105

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

P:\5 Yr Plan\2005 submission\HUD Submission\tn001v01(5 Year and Annual Plan)REVISED.doc

PHA Plan Agency Identification

PHA Name: Memphis Housing Authority

PHA Number: TN001

PHA Fiscal Year Beginning: June 2005

Public Access to Information

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

- Main administrative office of the PHA
- PHA development management offices
- PHA local offices

Display Locations For PHA Plans and Supporting Documents

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

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

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

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

5-YEAR PLAN
PHA FISCAL YEARS 2005 - 2009
[24 CFR Part 903.5]

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: *To drive community revitalization through a seamless system of supportive services, affordable housing and new business development.*

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 *including low income tax credits, City of Memphis GO Bond borrowings and conventional debt* to create additional housing opportunities:
 - Acquire or build units or developments
 - Other (list below)
Deconcentrate poverty by providing public housing units as part of mixed income communities.
- PHA Goal: Improve the quality of assisted housing
Objectives:
 - Improve public housing management: PHA score 83
 - Improve voucher management: SEMAP score 89
 - 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 *through new developments and acquisitions*
 - 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:
 - Implement public housing or other homeownership programs:
 - Implement public housing site-based waiting lists: *Metropolitan Place (Uptown Village Apartments); University Place Apartments (formerly Lamar Terrace) after revitalization; Currently being implemented at Uptown Square Apartments (formerly Lauderdale Courts) and Greenlaw Place Apartments. Metropolitan and other redeveloped sites will begin as they come back on line. Other developments will occur during the FY2005 plan year and future years.*
 - Convert public housing to vouchers:
 - Other: *Explore the possibility of implementing public housing, Section 8 or other homeownership programs.*

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: *Deconcentrate poverty by providing public housing units as part of mixed-income communities.*

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: *Plan and implement a coordinated case management system that links all households in public housing with appropriate services, employment and training opportunities.*
Amend the current Self-Reliance Agreement for following HOPE V/ Mixed income properties: College Park, Uptown Square, Greenlaw, Metropolitan Apartments, and University Place as new units come on line

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 topersons with all varieties of disabilities regardless of unit size required:
 - Other: (list below)

Other PHA Goals and Objectives: (list below)

Annual PHA Plan
PHA Fiscal Year 2005
[24 CFR Part 903.7]

i. Annual Plan Type:

Standard Plan

Streamlined Plan:

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

Troubled Agency Plan

ii. Executive Summary of the Annual PHA Plan

[24 CFR Part 903.7 9 (r)]

This submission of Memphis Housing Authority's FY 2005 Annual and Five Year Plans reaffirms our goal to improve the quality of residents' lives and the housing and neighborhoods in which they reside. The agency is continuing to move forward with our transformation plan that addresses our inadequate funding, deteriorating housing stock, and inefficient property management. The following is an update of the plans that we established during our FY 2005 Annual and Five Year Plans:

Replace Obsolete Public Housing Stock

In accordance with the strategic plan for the properties, MHA has identified properties that will be maintained, renovated, disposed of or demolished. MHA has developed phases in which to demolish or dispose of non-viable properties so that we can effectively provide current tenants with the best options for relocation to Section 8 vouchers, new public housing units, or homeownership opportunities. The properties that are slated for demolition or disposition activities during our FY 2005-2009 plan years are: Walter Simmons, MHA Central Office, Oates Manor, Graves Manor, Dixie Homes and Texas Courts. The Housing Authority will look at other complexes in the city as potential acquisition sites to replace MHA housing units. MHA must focus on these types of acquisitions in order to accommodate the redevelopment of Dixie, Cleaborn and Foote Homes because of the large numbers of families that reside on the developments. By the end of FY 2004, MHA had completed the purchase of Richmond Place and Parkway Commons through an affiliated non-profit entity. In order to compensate for the decreased funding from HUD, MHA will obtain \$25.48 million of bond funding through the City of Memphis general obligation bond program to achieve our replacement housing goals in a timely manner. The bond funds will be used with low-income housing tax credit equity to rebuild Fowler Homes, Ford Road, Cypresswood and Horn Lake. The MHA will repay the City by pledging up to 33% of

future Capital Fund Program (CFP) subsidy and 100% of its Replacement Housing Factor (RHF) funds. The debt to the City will be priced at the City's then borrowing rate amortized over 20 years. Utilizing this method of funding the Authority will build back 433 affordable housing units with 218 being Public Housing units.

The 40 public housing units at Fowler Homes (TN 1-12) will consist of 18 2-bedroom units; 16 3-bedroom units and 6 4-bedroom units and will cost \$7,155,535. The CFFP portion will be \$4,594,928 with the balance made up of \$1,760,607 in tax credit equity; \$500,000 in City CIP funds and \$300,000 in CDBG funds. The tax credit award was made on August 30, 2004 and construction should start by September 1, 2005 with lease up to begin August 1, 2006. The 80 unit senior building is comprised of 72 1-bedroom units and 8 2-bedroom units. The project is estimated to cost \$9,250,326 supported by \$4,145,254 in tax credit equity and \$5,105,072 from the CFFP.

Ford Road (TN 1-30) will be redeveloped as the Harold E. Ford, Sr. Villas. This property will consist of 72 units made up of 36 duplexes. A tax credit application has been applied for and it is estimated to cost \$9,284,522 of which \$5,070,662 will be tax credit equity; \$1,637,500 will be first mortgage debt and \$2,576,360 will come from the CFFP. Thirty-six (36) of the units will be public housing and 36 will be tax credit units. It is anticipated that construction will start in the spring of 2006 with construction completion in the spring of 2007 and full lease up by November 2007.

The proposal for Cypresswood (TN 1-31) will be to redevelop the site with 150 units of which 50 will be public housing and 100 will tax credit units. The estimated development cost is \$15,548,976 with \$5,598,976 coming from tax credit equity; \$4,450,000 in permanent debt and the balance of \$5,500,000 coming from the CFFP. The schedule for this project would be to start construction in the spring of 2007 with completion the spring of 2008 and lease up by November 2008.

The redevelopment of Horn Lake (TN 1-20) will be a 100 unit senior only facility. Fifty (50) of the units will be public housing and 50 will be tax credit units. This redevelopment is estimated to cost \$8,320,000 with \$5,670,440 coming from tax credit equity, \$1,325,000 in permanent debt and \$1,325,000.

Three million, seven hundred thousand (\$3,700,000) has been allocated to develop 30 single-family for sale homes that will be an off-site phase for the Dixie Homes HOPE VI application. These homes would be developed on property the MHA owns at Cleaborn Homes (TN 1-11) and is located across the street from 25 single-family rental homes that have just been constructed (Askew Place [TN 1-51]).

The final project covered under this CFFP plan is the redevelopment of Oates Manor (TN 1-7). The first phase of this project will be 100 single-family homes that will include tax credit equity as well as additional City funds in the form of a grant. The

additional City funds will be used for land acquisition. We intend on filing for a tax credit application in spring 2008 with construction to start in spring 2009. MHA will also look to secure additional funding through the state's low-income housing tax credit program and potentially borrow through conventional sources. MHA will use the tax credits for the Hawkins Mill site that will be constructed by a private developer with 84 units. After which, MHA will acquire the site once the developer has received the 8609's and will convert 26 units into Public Housing units.

The City of Memphis/Division of Housing and Community Development will provide MHA with \$1 million to build single-family homes on the Cleaborn Homes site. MHA will also use \$1.15 million of RHF funds to complete the 25 homes. MHA revitalization efforts will provide the needed mixed income and affordable housing options to sustain growth. The City has agreed to provide \$6.75 million in FY 2005 CIP funds for several redevelopment projects.

During FY 2005, the Housing Authority received a \$20 million HOPE VI Revitalization Grant for the Lamar Terrace (University Place) development. The Authority also received \$2.6 million for a HOPE VI demolition Grant and the City has committed over \$13 million towards this redevelopment project that will be developed with McCormack Baron Salazar out of St. Louis as the development partner.

The Authority also completed the demolition of the remaining phases of Oates Manor and Fowler Homes in FY2004. The Oates Manor effort was funded with a \$1.03 million HOPE VI Demolition Grant while the Fowler Homes demolitions was funded at \$272K by the City of Memphis with CDBG funds.

Guaranteed Housing for Current Residents

The successful relocation of the Graves Manor residents was completed in the second quarter of FY 2005. These residents were relocated to other viable public housing units or the Section 8 Voucher Program.

Mobility Counseling to Train Residents is Critical

To mitigate impacts on residents from MHA's aggressive demolition and relocation efforts, MHA created a Relocation Department and a case management system to ensure that our residents' needs are met throughout our transformation process. These services ensure that the residents are fully informed of housing and support opportunities before they are relocated from a development.

Renovation of Viable Family Housing

During FY 2000, the 202 test identified seven of MHA's family development properties as having viable units. Further analysis of the units has determined that it would be more feasible for MHA to demolish four of the identified developments instead of modernizing the developments. During the 2005 plan year, the MHA demolished four developments: Ford Road, Cypresswood, Horn Lake, and Hawkins Mill, with the HOPE VI Demolition funds received in FY 2004.

Reduce Vacancy Rate

MHA continues to reduce our vacancy rate through our vacancy consolidation and vacancy reduction efforts. Our vacancy consolidation and reduction efforts allow us to repair vacant units in habitable areas then consolidate residents that are isolated into these repaired units. This will enable us to maximize occupancy in our viable units. MHA's priority is to complete all vacant unit repairs and establish an occupancy goal of 98%.

Site-Based Professional Management

MHA will strive to develop an effective and efficient business operation. MHA has identified areas and developments where it would be more cost effective to privatize functions and management. MHA has developed a site-based inventory tracking and monitoring process that will be more efficient and less costly.

Coordinated Case Management

MHA continues to develop collaborations with other social service agencies to develop case management programs for our residents. With the Resident Service Delivery Model grant funds awarded in FY's 2001 and 2004, MHA has established and implemented a coordinated case management system to help 360 MHA residents identify, develop, plan, coordinate, and manage their individualized plan for self sufficiency. MHA was awarded a Neighborhood Networks grant for University Place (formerly Lamar Terrace) to assist with resident self-reliance by providing funding for resident technical (computer) training and support activities beginning in FY2005.

Increased Job Opportunities

MHA is determined to provide residents with the opportunity to become self sufficient. MHA operates the Resident Employment Training Center to give our residents opportunities for employment. The training program has expanded to operate as a satellite for the Memphis Area Career Center. The expansion allows the residents in the community to receive information on career opportunities.

New Lease Agreement

MHA has revised the lease agreement for public housing residents. The lease now adds a Self-Reliance provision and includes revisions to the Self-Reliance agreement which provides criteria for initial and continued occupancy in a public housing unit. MHA plans to implement this agreement during the FY2005 plan year.

Restructure/Reorganization

MHA is continuing its restructuring and reorganization efforts to make operations more effective and efficient. In order to effectively manage the functional consolidation of Housing and Community Development (HCD) and Memphis Housing Authority, MHA will acquire a central office building that will accommodate HCD and MHA staff. With the assistance of consultants, we are developing plans to focus on our core business, which is property management. We will eliminate or privatize areas

that are not essential to our core business where it is sensible and efficient. We will retain outside professional support when needed. Our restructuring efforts will allow us to reduce layers of management to improve efficiency and enhance service delivery by converting our operations into an asset management model. Decentralizing our warehouse function to site based inventories will reduce theft and improve efficiency of our operations. Privatizing our specialty shops will enable us to create standards and obtain quality products for our developments. We are in the process of completing several departmental mergers, including the Budget Department, which will handle both agency budgets and allow for greater accountability and uniformity in the budgeting process. A Planning Department will be coordinated and assigned responsibility for completion of all Agency plans for both MHA and HCD.

As a result of the consolidation of MHA and HCD, a “Redevelopment Agency” for the city/metropolitan area will be established. The combined effort will have an even greater opportunity to substantially impact our community for the better and become a national model for community revitalization.

The Memphis Housing Authority is considering the installation of cable or satellite television service to our high-rise buildings. Each apartment may be wired for this service, if the project is approved.

The above updates of our Annual and Five Year plans prove that Memphis Housing Authority is making every effort to make our agency transformation plan a reality. Our progress demonstrates that we are aggressively meeting our goal of providing improved housing for low-income residents and running a cost efficient and effective operation.

iii. Annual Plan Table of Contents

[24 CFR Part 903.7 9 (r)]

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Attachments:

Attachment A	Public Housing Admissions & Continued Occupancy Policy
Attachment B	Admissions Policy for Deconcentration
Attachment C	PHA Management Organization Chart
Attachment D	FY 2005 Capital Fund Program and Replacement Housing Factor Annual Statement
Attachment E	FY 2005-2009 Capital Fund Program 5 Year Action Plan
Attachment F	Pet Policy
Attachment G	Community Service Policy
Attachment H	Section 8 Statement of Homeownership
Attachment I	PHA Resident Commissioner/Board of Commissioners

- Attachment J Voluntary Conversion Assessment
Attachment K Self-Reliance Agreement-applicable to HOPE VIMixed Income Development only
Attachment L Minutes from Public Hearing (February 24, 2005)
Attachment M Section 8 Administrative Plan
Attachment N Public Housing Lease Agreement

Supporting Documents Available for Review

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
SD1	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
SD2	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
SD3	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.	5 Year and Annual Plans
SD4	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI)) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
See Attachment N	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
See Attachment A	Public housing rent determination policies, including the methodology for setting public housing flat rents <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
See Attachment A	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
See Attachment N	Section 8 rent determination (payment standard) policies <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
SD6	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
SD14	Public housing grievance procedures <input checked="" type="checkbox"/> check here if included in the public housing	Annual Plan: Grievance Procedures

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
	A & O Policy	
See Attachment N	Section 8 informal review and hearing procedures <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
See Attachment N	Policies governing any Section 8 Homeownership program <input checked="" type="checkbox"/> check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
SD7	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
SD8	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
SD9	Certification of Payments to Influence Federal Transactions	Annual Plan
SD10	Certification for Drug Free Workplace	Annual Plan
SD11	Disclosure of Lobbying Activities	Annual Plan
SD12	RASS Follow-up Plan	5 Year and Annual Plans
SD13	The most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit

1. Statement of Housing Needs

[24 CFR Part 903.7 9 (a)]

A. Housing Needs of Families in the Jurisdiction/s Served by the PHA

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford- ability	Supply	Quality	Access- ibility	Size	Loca- tion
Income <= 30% of AMI	30,338	5	5	5	3	3	4
Income >30% but <=50% of AMI	17,852	5	5	5	3	3	3
Income >50% but <80% of AMI	23,103	4	5	4	3	2	3
Elderly	12,669	5	4	4	4	2	3
Families with Disabilities	19,225	5	5	4	4	3	4
White	35,835	2	2	2	2	2	2
African-American	67,879	4	4	4	3	3	3
Asian	2,130	2	2	2	2	2	2
Hispanic	3,425	4	4	4	2	3	3

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

- Consolidated Plan of the Jurisdiction/s
Indicate year:
- U.S. Census data: the Comprehensive Housing Affordability Strategy
("CHAS") dataset
- American Housing Survey data
Indicate year:
- Other housing market study
Indicate year:

Other sources: (list and indicate year of information)

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

Housing Needs of Families on the Waiting List			
Waiting list type: (select one)			
<input checked="" type="checkbox"/> Section 8 tenant-based assistance			
<input type="checkbox"/> Public Housing			
<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	3,739		360
Extremely low income <=30% AMI	Not available on Preapplication	Not available on Preapplication	
Very low income (>30% but <=50% AMI)	Not available on Preapplication	Not available on Preapplication	
Low income (>50% but <80% AMI)	Not available on Preapplication	Not available on Preapplication	
Families with children	Not available on Preapplication	Not available on Preapplication	
Elderly families	Not available on Preapplication	Not available on Preapplication	
Families with Disabilities	Not available on Preapplication	Not available on Preapplication	
Race/ethnicity	Not available on Preapplication	Not available on Preapplication	
Race/ethnicity	Not available on Preapplication	Not available on Preapplication	
Race/ethnicity	Not available on Preapplication	Not available on Preapplication	
Race/ethnicity	Not available on Preapplication	Not available on Preapplication	
Characteristics by Bedroom Size (Public Housing)			

Housing Needs of Families on the Waiting List			
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)? <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 Waiting List			
Waiting list type: (select one)			
<input type="checkbox"/> Section 8 tenant-based assistance			
<input checked="" type="checkbox"/> Public Housing			
<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	6,114		
Extremely low income <=30% AMI	5,369	87.81%	
Very low income (>30% but <=50% AMI)	642	10.50%	
Low income (>50% but <80% AMI)	100	1.64%	
Families with children	4,396	71.90%	
Elderly families	126	.01%	
Families with Disabilities	873	14.28%	
White	52	.85%	
African-American	6,049	98.94%	
Asian	3	.05%	

Housing Needs of Families on the Waiting List			
Hispanic	10	.16%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	1,649	26.97%	
2 BR	2,565	41.95%	
3 BR	1,475	24.12%	
4 BR	382	6.25%	
5 BR	39	.64%	
5+ BR	4	.07%	
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			
If yes:			
How long has it been closed (# of months)?			
Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes			
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input type="checkbox"/> No <input type="checkbox"/> Yes			

C. Strategy for Addressing Needs

(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 tenantbased assistance.
- Other: (list below)

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

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

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

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

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

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

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

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

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

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

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

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

- 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 903.7 9 (b)]

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2005 grants)		
a) Public Housing Operating Fund	8,090,385	
b) Public Housing Capital Fund	10,375,830	
c) HOPE VI Revitalization	20,000,000	
d) HOPE VI Demolition	3,619,286	
e) Annual Contributions for Section 8 Tenant-Based Assistance	37,672,151	
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)	N/A	
g) Resident Opportunity and Self-Sufficiency Grants	500,000	
h) Community Development Block Grant		
i) HOME		
Other Federal Grants (list below)		
Neighborhood Networks	50,000	
2. Prior Year Federal Grants (unobligated funds only) (list below) a/o November 30, 2004		
HOPE VI Hurt Village (Uptown)	1,187,309	
Replacement Housing Factor	3,387,943	
Capital Fund Program	5,887,211	
ROSS Service Coordinator Grant	1,076,963	
HOPE VI Demolition Grants	3,774,034	
3. Public Housing Dwelling Rental Income	5,111,000	

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
4. Other income (list below)		
Non-Dwelling Rental	111,900	
Public Housing Investment Income	75,000	
Property Sales	2,650,000	
4. Non-federal sources (list below)		
CIP Funds	6,750,000	
Bond Funds	38,000,000	
LIHTC	5,459,454	
City Funds	481,984	
HEHFB	96,000	
Delta Area on Aging	22,000	
Total resources	151,406,791	

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

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: (state number)
- When families are within a certain time of being offered a unit: *120 days*
- 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 *Credit History*

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

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

(2)Waiting List Organization

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

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

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

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

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

1. How many site-based waiting lists will the PHA operate in the coming year?9- *College Park Senior, College Park Family I, College Park Family II, Greenlaw Apartments, Uptown Square, Metropolitan Place ,Cleaborn Single Family Homes, Uptown Scattered Sites, and 3 Transitional Homes*

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 previouslyHUD-approved site based waiting list plan)?
If yes, how many lists? *Cleaborn Single Family Homes and 3 Transitional Homes*

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

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

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

Other (list below)

(3) Assignment

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

- One
 Two
 Three or More

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

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

(4) Admissions Preferences

a. Income targeting:

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

b. Transfer policies:

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

- Emergencies
 Overhoused
 Underhoused
 Medical justification
 Administrative reasons determined by the PHA (e.g., to permit modernization work)
 Resident choice: *Transfers to newly rehabbed units will be offered to tenants as an incentive.*
 Other: *Meet deconcentration goals*

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)

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.

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 the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs

- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

4. Relationship of preferences to income targeting requirements:

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

(5) Occupancy

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

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

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

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

(6) Deconcentration and Income Mixing

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

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

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

Adoption of site based waiting lists
If selected, list targeted developments below:
College Park Senior, College Park Family I, College Park Family II, Greenlaw Apartments, Uptown Square, Metropolitan Place, Cleaborn Single Family Homes, Uptown Scattered Sites, and 3 Transitional Homes

Employing waiting list “skipping” to achieve deconcentration of poverty or income mixing goals at targeted developments
If selected, list targeted developments below:

Employing new admission preferences at targeted developments
If selected, list targeted developments below:

Other (list policies and developments targeted below)
Modifications to transfer policies.

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

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

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

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

Not applicable: results of analysis did not indicate a need for such efforts
 List (any applicable) developments below:

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

Not applicable: results of analysis did not indicate a need for such efforts
 List (any applicable) developments below:

B. Section 8

(1) Eligibility

- a. What is the extent of screening conducted by the PHA? (select all that apply)
- Criminal or drug-related activity only to the extent required by law or regulation
 - Criminal and drug-related activity, more extensively than required by law or regulation
 - More general screening than criminal and drug-related activity (list factors below)
 - Other (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)
Names of previous landlord information

(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:

- A. *As a reasonable accommodation to assist families with a disabled family member to locate an adequate unit; or*
- B. *Family has three or more minors; or*
- C. *There is evidence of the family's search for a unit in allow poverty area; or*
- D. *The family is relocating from Public Housing.*
- E. *The family has experienced housing discrimination that has impacted their search time.*

(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)

Preference will be given to residents of MHA public housing units who are required to relocate due to one of the following conditions:

- A. Their public housing units are identified as hazardous to the family due to either: minors residing in units with high lead content who have elevated blood lead levels (EBLs); or the presence of other serious environmental hazards that affect the family's health or safety. The preference may be granted if there are no lead-free units available in any other public housing developments.*
- B. Families (including single persons) who are currently residing in public housing units that will be demolished, disposed of, rehabilitated or consolidated.*

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.

Date and Time

Former Federal preferences

- 1 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)

Preference will be given to residents of MHA public housing units who are required to relocate due to one of the following conditions:

 - A. Their public housing units are identified as hazardous to the family due to either: minors residing in units with high lead content who have elevated blood lead levels (EBLs); or the presence of other serious environmental hazards that affect the family's health or safety. The preference may be granted if there are no lead-free units available in any other public housing developments.*
 - B. Families (including single persons) who are currently residing in public housing units that will be demolished, disposed of, rehabilitated or consolidated.*

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
- Not Applicable

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

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

(5) Special Purpose Section 8 Assistance Programs

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

- The Section 8 Administrative Plan
- Briefing sessions and written materials
- Other (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)

4. PHA Rent Determination Policies

[24 CFR Part 903.7 9 (d)]

A. Public Housing

(1) Income Based Rent Policies

a. Use of discretionary policies: (select one)

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

---or---

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

b. Minimum Rent

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

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

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

3. If yes to question 2, list these policies below:

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

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

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

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

- For the earned income of a previously unemployed household member
- For increases in earned income
- Fixed amount (other than general rent-setting policy)
If yes, state amount/s and circumstances below:

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

- For household heads
- For other family members
- For transportation expenses
- For the non-reimbursed medical expenses of non-disabled or non-elderly families
- Other (describe below)

e. Ceiling rents

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

- Yes for all developments
- Yes but only for some developments
- No

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

- For all developments
- For all general occupancy developments (not elderly or disabled or elderly only)
- For specified general occupancy developments
- For certain parts of developments; e.g., the high-rise portion
- For certain size units; e.g., larger bedroom sizes
- Other (list below)

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

- Market comparability study
- Fair market rents (FMR)
- 95th percentile rents
- 75 percent of operating costs
- 100 percent of operating costs for general occupancy (family) developments
- Operating costs plus debt service
- The “rental value” of the unit
- Other (list below)

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) *The family experiences an income decrease or an increase in family size or deductible expenses without an increase in income.*

- 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

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

- The section 8 rent reasonableness study of comparable housing
- Survey of rents listed in local newspaper
- Survey of similar unassisted units in the neighborhood
- Other (list/describe below) *On-Line Market Rent Study*

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) *Budget constraints*

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) *Payment standards may be reviewed and/or adjusted in response to funding changes more frequently, if needed.*

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) *Budgetary controls*

(2) Minimum Rent

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

- \$0

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

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

5. Operations and Management

[24 CFR Part 903.7 9 (e)]

A. PHA Management Structure

(select one)

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

B. HUD Programs Under PHA Management

Program Name	Units or Families Served at Year Beginning 2005	Expected Turnover
Public Housing	2,584	517
Section 8 Vouchers	5,342	360
Section 8 Certificates	0	0
Section 8 Mod Rehab	0	0
Special Purpose Section 8 Certificates/Vouchers (list individually)		
Southwood-New Const	48	48
St. Court-Subst Rehab	127	127
Mainstream-Disabled Families	29	0
Public Housing Drug Elimination Program (PHDEP)	N/A	N/A
Other Federal Programs(list individually)		

C. Management and Maintenance Policies

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

Operations Manual:

This manual constitutes all official policy for MHA’s public housing operations and is established by the Board. MHA has effective pest eradication procedures, in which it treats all units quarterly for possible pest infestation and responds to emergencies within 24 hours.

(2) Section 8 Management: (list below)

No separate Section 8 policies have been established.

6. PHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

A. Public Housing

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

If yes, list additions to federal requirements below:

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

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

B. Section 8 Tenant-Based Assistance

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

If yes, list additions to federal requirements below:

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

- PHA main administrative office
 Other (list below)

7. Capital Improvement Needs

[24 CFR Part 903.7 9 (g)]

A. Capital Fund Activities

(1) Capital Fund Program Annual Statement

Select one:

- The Capital Fund Program Annual Statement is provided as an attachment to the PHA Plan at *Attachment D*

-or-

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

(2) Optional 5-Year Action Plan

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

b. If yes to question a, select one:

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

-or-

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

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

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

by HUD on 08/31/04; Construction underway; completion deadline 09/30/05)

1. Development name: *College Park (Lemoyne Gardens)*
2. Development (project) number: *TN 1-43, TN1-44, and TN1-46*
3. 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

- Yes No: a) Has the PHA received a HOPE VI revitalization grant? (if no, skip to question c; if yes, provide responses to question b for each grant, copying and completing as many times as necessary)
- b) Status of HOPE VI revitalization grant (complete one set of questions for each grant) *Hurt Village (5 Subphases in various stages of completion in accordance with approved Revitalization Plan)*

1. Development name: *Uptown (Hurt Village)*
2. Development (project) number: *TN 1-47 Uptown Square formerly Lauderdale Courts; TN 1-48 Greenlaw Apartments; TN1-49A Scattered Site Rental; TN 1-50 Metropolitan*
3. 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

- Yes No: a) Has the PHA received a HOPE VI revitalization grant? (if no, skip to question c; if yes, provide responses to question b for each grant, copying and completing as many times as necessary)
- b) Status of HOPE VI revitalization grant (complete one set of questions for each grant) *University Place master planning underway; Negotiated Master Development Agreement being submitted to HUD and redevelopment activities continuing as per Revitalization Plan.*

1. Development name: *Lamar Terrace (renamed University Place)*
2. Development (project) number: *TN 1-1*

3. 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

Yes No: c) Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year?

If yes, list development name/s below:

Dixie Homes, TN 1-5,9

Yes No: d) Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year?

If yes, list developments or activities below:

Hurt Village TN 1-06 On site (Uptown Village Apartments); Hurt Village TN 1-06 Off site (Scattered-Site Rental Units); Cleaborn Homes TN 1-11 (Single Family Homes Construction); Fowler Homes TN 1-12 (Senior Center and Single/Multi-Family Homes Construction); Horn Lake Heights TN 1-20 (Single/Multi-Family Homes Construction); Ford Road TN 1-32A (Single/Multi-Family Homes Construction) and Cypresswood Apartments TN 1-32B (Single/Multi-Family Homes Construction); University Place (formerly Lamar Terrace TN 1-1)

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

If yes, list developments or activities below:

The MHA will evaluate existing apartments complexes throughout the city for acquisition with or without rehabilitation to include Agnes Place, Levi Landing/Lakeview, and other possible sites. The MHA will look at properties that currently have LIHTC financing and those with conventional debt.

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

1. Yes No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If “No”, skip to component 9; if “yes”, complete one activity description for each development.)

2. Activity Description

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

Demolition/Disposition Activity Description
1a. Development name: Lamar Terrace 1b. Development (project) number: TN 1-1
2. Activity type: Demolition <input checked="" type="checkbox"/> Disposition <input type="checkbox"/>
3. Application status (select one) Approved <input checked="" type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: 06/03/03
5. Number of units affected: 478
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 02/15/05 b. Projected end date of activity: 8/31/05

Demolition/Disposition Activity Description
1a. Development name: Lamar Terrace 1b. Development (project) number: TN 1-1
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 07/15/05
5. Number of units affected:
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 12/31/05 b. Projected end date of activity: 12/31/06

Demolition/Disposition Activity Description
1a. Development name: Dixie Homes 1b. Development (project) number: TN 1-5
2. Activity type: Demolition <input checked="" type="checkbox"/> Disposition <input 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: 06/30/2005
5. Number of units affected: 68
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 01/15/2007 b. Projected end date of activity: 09/15/2007

Demolition/Disposition Activity Description
1a. Development name: Dixie Homes 1b. Development (project) number: TN 1-9
2. Activity type: Demolition <input checked="" type="checkbox"/> Disposition <input 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: 01/15/05
5. Number of units affected: 6

6. Coverage of action (select one) <input checked="" type="checkbox"/> Part of the development (Fire damaged building) <input type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 05/31/05 b. Projected end date of activity: 07/31/05

Demolition/Disposition Activity Description
1a. Development name: Dixie Homes 1b. Development (project) number: TN 1-9
2. Activity type: Demolition <input checked="" type="checkbox"/> Disposition <input 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: 6/30/2005
5. Number of units affected: 526
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: 01/15/2007 b. Projected end date of activity: 09/15/2007

Demolition/Disposition Activity Description
1a. Development name: Hurt Village 1b. Development (project) number: TN 1-06
2. Activity type: Demolition Disposition X
3. Application status (select one) Approved <input checked="" type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: 11/27/02
5. Number of units affected: 0
6. Coverage of action (select one) <input checked="" type="checkbox"/> Part of the development (7 acres) <input type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 10/15/03 b. Projected end date of activity: 02/27/04

Demolition/Disposition Activity Description	
1a. Development name:	Hurt Village
1b. Development (project) number:	TN 1-06
2. Activity type:	Demolition Disposition X
3. Application status (select one)	Approved <input checked="" type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission:	10/24/03
5. Number of units affected:	0
6. Coverage of action (select one)	<input checked="" type="checkbox"/> Part of the development (9.43 acres) <input type="checkbox"/> Total development
7. Timeline for activity:	a. Actual or projected start date of activity: 11/08/03 b. Projected end date of activity: 09/15/04

Demolition/Disposition Activity Description	
1a. Development name:	Hurt Village
1b. Development (project) number:	TN 1-06
2. Activity type:	Demolition Disposition X
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:	09/15/04
5. Number of units affected:	0
6. Coverage of action (select one)	<input checked="" type="checkbox"/> Part of the development (3.25 acres) <input type="checkbox"/> Total development
7. Timeline for activity:	a. Actual or projected start date of activity: 03/15/05 b. Projected end date of activity: 09/15/05

Demolition/Disposition Activity Description	
1a. Development name:	Oates Manor
1b. Development (project) number:	TN 1-7
2. Activity type:	Demolition <input checked="" type="checkbox"/> Disposition <input type="checkbox"/>
3. Application status (select one)	Approved <input checked="" type="checkbox"/>

Submitted, pending approval <input type="checkbox"/>
Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: 11/17/03
5. Number of units affected: 166
6. Coverage of action (select one)
<input type="checkbox"/> Part of the development
<input checked="" type="checkbox"/> Total development
7. Timeline for activity:
a. Actual or projected start date of activity: 11/29/04
b. Projected end date of activity: 07/01/05

Demolition/Disposition Activity Description
1a. Development name: Oates Manor
1b. Development (project) number: TN 1-7
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: 12/30/04
5. Number of units affected: 0
6. Coverage of action (select one)
<input type="checkbox"/> Part of the development
<input checked="" type="checkbox"/> Total development
7. Timeline for activity:
a. Actual or projected start date of activity: 05/31/05
b. Projected end date of activity: 12/31/05

Demolition/Disposition Activity Description
1a. Development name: Cleaborn Homes
1b. Development (project) number: TN 1-8
2. Activity type: Demolition <input checked="" type="checkbox"/>
Disposition <input 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: 12/31/04
5. Number of units affected: 6
6. Coverage of action (select one)
<input checked="" type="checkbox"/> Part of the development (Fire damaged building)
<input type="checkbox"/> Total development
7. Timeline for activity:

- a. Actual or projected start date of activity: 10/31/04
 b. Projected end date of activity: 07/31/05

Demolition/Disposition Activity Description (New Entry)

1a. Development name: Graves Manor
 1b. Development (project) number: TN 1-15

2. Activity type: Demolition
 Disposition

3. Application status (select one)
 Approved
 Submitted, pending approval
 Planned application

4. Date application approved, submitted, or planned for submission: 02/25/05

5. Number of units affected: 294

6. Coverage of action (select one)
 Part of the development
 Total development

7. Timeline for activity:
 a. Actual or projected start date of activity: 9/30/05
 b. Projected end date of activity: 03/31/06

Demolition/Disposition Activity Description

1a. Development name: Walter Simmons Estates
 1b. Development (project) number: TN 1-16

2. Activity type: Demolition
 Disposition

3. Application status (select one)
 Approved
 Submitted, pending approval
 Planned application

4. Date application approved, submitted, or planned for submission: 04/06/04

5. Number of units affected: 300

6. Coverage of action (select one)
 Part of the development
 Total development

7. Timeline for activity:
 a. Actual or projected start date of activity: 2/5/04
 b. Projected end date of activity: 3/31/05

Demolition/Disposition Activity Description

1a. Development name: Horn Lake Heights
 1b. Development (project) number: TN 1-20

2. Activity type: Demolition

Disposition <input checked="" type="checkbox"/>
3. Application status (select one) Approved <input checked="" type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: 11/04/04
5. Number of units affected: 0
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 11/04/04 b. Projected end date of activity: 12/31/06

Demolition/Disposition Activity Description
1a. Development name: Ford Road Apartments 1b. Development (project) number: TN 1-32A
2. Activity type: Demolition <input type="checkbox"/> Disposition <input checked="" type="checkbox"/>
3. Application status (select one) Approved <input checked="" type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: 11/04/04
5. Number of units affected: 0
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 11/04/04 b. Projected end date of activity: 12/31/05

Demolition/Disposition Activity Description
1a. Development name: Cypresswood Apartments 1b. Development (project) number: TN 1-32B
2. Activity type: Demolition <input type="checkbox"/> Disposition <input checked="" type="checkbox"/>
3. Application status (select one) Approved <input checked="" type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: 11/04/04
5. Number of units affected: 0

6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 11/04/04 b. Projected end date of activity: 12/31/05

Demolition/Disposition Activity Description
1a. Development name: Texas Courts 1b. Development (project) number: TN 1-33
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: 2/15/05
5. Number of units affected: 39
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 8/31/05 b. Projected end date of activity: 02/05/06

Demolition/Disposition Activity Description
1a. Development name: Texas Courts 1b. Development (project) number: TN 1-33
2. Activity type: Demolition <input checked="" type="checkbox"/> Disposition <input 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: 2/15/05
5. Number of units affected: 39
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 8/31/05 b. Projected end date of activity: 02/05/06

Demolition/Disposition Activity Description	
1a. Development name: MHA Central Office	
1b. Development (project) number: TN 1-08A	
2. Activity type: Demolition <input type="checkbox"/>	
Disposition <input checked="" type="checkbox"/>	
3. Application status (select one)	
Approved <input checked="" type="checkbox"/>	
Submitted, pending approval <input type="checkbox"/>	
Planned application <input type="checkbox"/>	
4. Date application approved, submitted, or planned for submission: 1/31/03	
5. Number of units affected: 0	
6. Coverage of action (select one)	
<input type="checkbox"/> Part of the development	
<input checked="" type="checkbox"/> Total development	
7. Timeline for activity:	
a. Actual or projected start date of activity: 3/30/04	
b. Projected end date of activity: 12/31/05	

Demolition/Disposition Activity Description	
1a. Development name: Vehicle Shop	
1b. Development (project) number: TN 1-08A	
2. Activity type: Demolition <input type="checkbox"/>	
Disposition <input checked="" type="checkbox"/>	
3. Application status (select one)	
Approved <input checked="" type="checkbox"/>	
Submitted, pending approval <input type="checkbox"/>	
Planned application <input type="checkbox"/>	
4. Date application approved, submitted, or planned for submission: 2/18/03	
5. Number of units affected:	
6. Coverage of action (select one)	
<input type="checkbox"/> Part of the development	
<input checked="" type="checkbox"/> Total development	
7. Timeline for activity:	
a. Actual or projected start date of activity: 3/30/04	
b. Projected end date of activity: 12/31/05	

Demolition/Disposition Activity Description	
1a. Development name: Transitional Homes, 850 Inez	
1b. Development (project) number: TN 1-52	
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: 12/31/05
5. Number of units affected:
6. Coverage of action (select one) <input checked="" type="checkbox"/> Part of the development – 850 Inez <input type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 04/01/06 b. Projected end date of activity: 06/30/06

9. Designation of Public Housing for Occupancy by Elderly Families or Families with Disabilities or Elderly Families and Families with Disabilities

[24 CFR Part 903.79 (i)]

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

2. Activity Description

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

Designation of Public Housing Activity Description
1a. Development name: <i>University Place (Formerly Lamar Terrace)</i>
1b. Development (project) number: <i>University Place TN TDB; Lamar Terrace TN I-1</i>
2. Designation type: Occupancy by only the elderly <input checked="" type="checkbox"/> Occupancy by families with disabilities <input type="checkbox"/>

Occupancy by only elderly families and families with disabilities <input type="checkbox"/>
3. Application status (select one) Approved; included in the PHA's Designation Plan <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date this designation approved, submitted, or planned for submission: <u>(03/31/05)</u>
5. If approved, will this designation constitute a (select one) <input type="checkbox"/> New Designation Plan <input checked="" type="checkbox"/> Revision of a previously-approved Designation Plan?
6. Number of units affected: <i>120</i>
7. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development

Designation of Public Housing Activity Description
1a. Development name: <i>Latham Terrace (Formerly Fowler Homes)</i>
1b. Development (project) number: <i>Latham Terrace TN TBD</i>
2. Designation type: Occupancy by only the elderly <input checked="" type="checkbox"/> Occupancy by families with disabilities <input type="checkbox"/> Occupancy by only elderly families and families with disabilities <input type="checkbox"/>
3. Application status (select one) Approved; included in the PHA's Designation Plan <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date this designation approved, submitted, or planned for submission: <u>(06/31/05)</u>
5. If approved, will this designation constitute a (select one) <input type="checkbox"/> New Designation Plan <input checked="" type="checkbox"/> Revision of a previously-approved Designation Plan?
7. Number of units affected: <i>80</i>
7. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development

Designation of Public Housing Activity Description
1a. Development name: <i>College Park Senior</i>
1b. Development (project) number: <i>TN 1-43</i>
2. Designation type: Occupancy by only the elderly <input checked="" type="checkbox"/> Occupancy by families with disabilities <input type="checkbox"/> Occupancy by only elderly families and families with disabilities <input type="checkbox"/>
3. Application status (select one)

Approved; included in the PHA's Designation Plan <input checked="" type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date this designation approved, submitted, or planned for submission: <u>(11/22/2000)</u>
5. If approved, will this designation constitute a (select one) <input type="checkbox"/> New Designation Plan <input type="checkbox"/> Revision of a previously-approved Designation Plan?
8. Number of units affected: <u>80</u> 7. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development

10. Conversion of Public Housing to Tenant-Based Assistance

[24 CFR Part 903.7 9 (j)]

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

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

2. Activity Description

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

Conversion of Public Housing Activity Description
1a. Development name: 1b. Development (project) number:
2. What is the status of the required assessment? <input type="checkbox"/> Assessment underway <input type="checkbox"/> Assessment results submitted to HUD <input type="checkbox"/> Assessment results approved by HUD (if marked, proceed to next question) <input type="checkbox"/> Other (explain below)
3. <input type="checkbox"/> Yes <input type="checkbox"/> No: Is a Conversion Plan required? (If yes, go to block 4; if no, go to block 5.)
4. Status of Conversion Plan (select the statement that best describes the current

status)

- Conversion Plan in development
- Conversion Plan submitted to HUD on: (DD/MM/YYYY)
- Conversion Plan approved by HUD on: (DD/MM/YYYY)
- Activities pursuant to HUD-approved Conversion Plan underway

5. Description of how requirements of Section 202 are being satisfied by means other than conversion (select one)

- Units addressed in a pending or approved demolition application (date submitted or approved: _____)
- Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved: _____)
- Units addressed in a pending or approved HOPE VI Revitalization Plan (date submitted or approved: _____)
- Requirements no longer applicable: vacancy rates are less than 10 percent
- Requirements no longer applicable: site now has less than 300 units
- Other: (describe below)

11. Homeownership Programs Administered by the PHA

[24 CFR Part 903.7 9 (k)]

A. Public Housing

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

2. Activity Description

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

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

1a. Development name: <i>College Park</i>
1b. Development (project) number:
2. Federal Program authority: <input type="checkbox"/> HOPE I <input type="checkbox"/> 5(h) <input type="checkbox"/> Turnkey III <input checked="" type="checkbox"/> Section 24 of the USHA of 1937 (Nehemiah like housing program) <input type="checkbox"/> Section 32 of the USHA of 1937 (effective 10/1/99)
3. Application status: (select one) <input checked="" type="checkbox"/> Approved; included in the PHA's Homeownership Plan/Program <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application
4. Date Homeownership Plan/Program approved, submitted, or planned for submission: <u><i>Subphase 1 Homes completed in 3^d Quarter 2004. Subphase 2 Term Sheet approved by HUD and closing completed on August 31, 2004.</i></u>
5. Number of units affected: <i>70 (40 Homes in Subphase 1; 30 homes in Subphase 2)</i>
6. Coverage of action: (select one) <input checked="" type="checkbox"/> 2 nd /Final Part of development (Final 30 of 70 lots) <input type="checkbox"/> Total development

Public Housing Homeownership Activity Description (Complete one for each development affected)
1a. Development name: <i>Uptown Neighborhood Homes</i>
1b. Development (project) number:
2. Federal Program authority: <input type="checkbox"/> HOPE I <input type="checkbox"/> 5(h) <input type="checkbox"/> Turnkey III <input checked="" type="checkbox"/> Section 24/9 <input type="checkbox"/> Section 32 of the USHA of 1937 (effective 10/1/99)
3. Application status: (select one) <input type="checkbox"/> Approved; included in the PHA's Homeownership Plan/Program <input checked="" type="checkbox"/> Submitted, pending approval (<i>112 of total 120 units; pending HUD approval 12/04; homes to be developed over next 18 months</i>) <input type="checkbox"/> Planned application
4. Date Homeownership Plan/Program approved, submitted, or planned for submission: <u><i>Homeownership Term Sheet submitted in 10/04; planned approval in 12/04</i></u>
6. Number of units affected: <i>112 of 120 homes</i>
6. Coverage of action: (select one) <input checked="" type="checkbox"/> Part of the development <input type="checkbox"/> Total development

B. Section 8 Tenant Based Assistance

1. Yes No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If “No”, skip to component 12; if “yes”, describe each program using the table below (copy and complete questions for each program identified), unless the PHA is eligible to complete a streamlined submission due to high performer status. **High performing PHAs** may skip to component 12.)

2. Program Description:

a. Size of Program

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

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

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

b. PHA-established eligibility criteria

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

If yes, list criteria below:

- 1) **Have a minimum annual income of \$14,100**
- 2) **Employed for a minimum of one year and work at least 30 hours per week (employment history not applicable to elderly and disabled families)**

12. PHA Community Service and Self-sufficiency Programs

[24 CFR Part 903.7 9 (1)]

Exemptions from Component 12: High performing and small PHAs are not required to complete this component. Section 8-Only PHAs are not required to complete sub-component C.

A. PHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:

- Yes No: Has the PHA has entered into a cooperative agreement with the TANF Agency, to share information and/or target supportive

services (as contemplated by section 12(d)(7) of the Housing Act of 1937)?

If yes, what was the date that agreement was signed? 12/02/03

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

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

B. Services and programs offered to residents and participants

(1) General

a. Self-Sufficiency Policies

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

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

b. Economic and Social self-sufficiency programs

- Yes No: Does the PHA coordinate, promote or provide any programs to enhance the economic and social self-sufficiency of residents? (If “yes”, complete the following table; if “no” skip to sub-component 2, Family Self

Sufficiency Programs. The position of the table may be altered to facilitate its use.)

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/random selection/specific criteria/other)	Access (development office / PHA main office / other provider name)	Eligibility (public housing or section 8 participants or both)
Goal Card Attendance & Achievement	Max 326	Random Select	College Park	Public Housing
Jessie Mahan Day Care	68	Specific Criteria	TDHS & Dixie Homes	PH, Section 8, and Surrounding Community
Boy Scouts & Girl Scouts	25	Specific Criteria	Dixie Homes, Alabama & Montgomery Plaza	Public Housing
Opportunity Banc	15	Specific Criteria	MHA	Public Housing and Section 8
Women in Community Service, Lemoyne Economic Advancement Program	90+ families	Current College Park residents	WICS Office	HOPE VI College Park only
MHA Homemakers Aging Commission	6	Specific Criteria	Delta Area Agency on Aging	High-rise elderly, Public Housing
Senior Companion, MIFA	30+	Specific Criteria	MIFA	High-rise, Public Housing
UT-Regional Medical Center	100	Specific Criteria	Barry Towers, Jefferson Square	Public Housing
Rise Foundation	17	Specific Criteria	All Public Housing Developments	Public Housing
MHA Executive Director's Scholarship Program	5+	Specific Criteria	MHA	Public Housing and Surrounding Community
Resident Employment & Training Center	400	Volunteer	PHA Main Office, Jobs Career Center, Jobs Plus, Walgreen's	Public Housing and Section 8
Metropolitan Inter Faith Association (MIFA) Case management Services	314 (Max to be served)	Specific Criteria	Alabama Plaza, Dixie Homes, Foote Homes, and Section 8 (HOPE VI residents have been relocated to sites identified above)	Former Hurt Village/ Lauderdale Courts residents
The Work Place Employment Training and Placement	120 Max Unduplicated	Specific Criteria	MIFA, UPTOWN Resource Center, Mgmt Offices,	Former Hurt Village/ Lauderdale Courts

(Practice Makes Perfect Internship Program) (Marriott Training Program sponsored by the Uptown Alliance) GED Program				Residents and actively engaged in case management services
Memphis City Schools Adult Basic Education classes, Home Safety training, youth recreational activities through the District Partnership Network	155	Specific Criteria	MIFA, CSS Coordinator, UPTOWN Resource Center,	Hurt Village and Lauderdale Courts residents
Memphis Housing Resource Center Housing Counseling Services	25	Specific Criteria	MIFA, CSS Coordinator, UPTOWN Resource Center	Former Hurt Village/and Lauderdale Courts Residents
Memphis Career Center/Workforce Development (service replaces Former Walgreen's Training and Employment Services)	Max 314	Specific Criteria (Must meet workforce development criteria for employment counseling services)	MHA Employment and Training Center 700 Adams	All Public Housing Residents (Maximum 314 former Hurt/ Lauderdale may use services
Tenant Orientation/ Training Program	Max 314	Required prior to Move-In	Uptown Resource Center/Uptown Square Apartments	Uptown Public Housing Residents
N/A Catholic Diocese of Memphis Preschool and After school programs	50-75	Specific Criteria	MIFA, Mgmt offices, HOPE VI newsletter	Hurt Village residents
Service Period Ended Leadership Institute of Memphis Leadership training	25	Specific Criteria	MIFA, Mgmt offices,	Hurt Village and Lauderdale Courts residents
Memphis Area Neighborhood Watch Crime Prevention strategies Educate residents within the Hurt Village community, regarding crime prevention strategies and the formulation of six NWG groups Once revitalization occurs	Implementation Pending Re-Occupancy	Specific Criteria	Mgmt offices, CSS coordinator, and Resident Associations	Former Hurt Village/ Lauderdale Courts Residents
Porter-Leath Children's Center Employment and training opportunities through the Foster Grandparents program (residents will receive a stipend)	25	Specific Criteria	MIFA, Porter-Leath Staff, CSS coordinator	Hurt Village/Lauderdale Courts no
RISE Foundation	60	Specific Criteria	The RISE Foundation staff, CSS coordinator,	Hurt Village/ Lauderdale Courts

IDA accounts and provides resources to Public Housing residents through its Save-up initiatives; the RISE Foundation provides \$1 in local funding for every HOPE VI \$ set aside for IDA accounts for Hurt Village residents			and MIFA	Residents
The University of Memphis Program Evaluator, Community of Scholars Program	Max 314	Specific Criteria	MIFA, U of M staff and CSS coordinator	Hurt Village residents
Young Women's Christian Association Non-traditional training in the areas of carpentry, forklift operation, computer repair, and cable installation	25	Specific Criteria	MIFA, CSS coordinator, Mgmt offices	Hurt Village/ Lauderdale Courts Residents

(2) Family Self Sufficiency program/s

a. Participation Description

Family Self Sufficiency (FSS) Participation		
Program	Required Number of Participants (start of FY 2005 Estimate)	Actual Number of Participants (As of: DD/MM/YY)
Public Housing	87	58
Section 8	63	72

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

C. Welfare Benefit Reductions

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

- Adopting appropriate changes to the PHA's public housing rent determination policies and train staff to carry out those policies

- Informing residents of new policy on admission and reexamination
- Actively notifying residents of new policy at times in addition to admission and reexamination.
- Establishing or pursuing a cooperative agreement with all appropriate TANF agencies regarding the exchange of information and coordination of services
- Establishing a protocol for exchange of information with all appropriate TANF agencies
- Other: (list below)

13. PHA Safety and Crime Prevention Measures

[24 CFR Part 903.7 9 (m)]

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

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

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

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

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

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

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

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

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

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

C. Coordination between PHA and the police

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

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

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

D. Additional information as required by PHDEP/PHDEP Plan

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

14. RESERVED FOR PET POLICY

[24 CFR Part 903.7 9 (n)]

15. Civil Rights Certifications

[24 CFR Part 903.7 9 (o)]

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

16. Fiscal Audit

[24 CFR Part 903.7 9 (p)]

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

17. PHA Asset Management

[24 CFR Part 903.7 9 (q)]

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

17. PHA Asset Management Table (Addendum)

The Memphis Housing Authority has developed a strategic plan for its portfolio of properties and is in the process of changing from an operationally oriented agency to one that is asset management based. In addition to the physical aspects of the plan the MHA is changing its management structure to more align itself with an asset management structure.

College Park

Lemoyne Gardens was demolished in 1997, as a result of a 1995 HOPE VI Grant Award. Currently the development, now known as College Park, has an 80 unit senior only complex. This facility is completed and fully occupied. Another 107 units were developed for the Family I Phase along with 154 units in the Family II Phase. These phases are also complete and fully leased. In addition, a total of 70 for sale homes will be constructed as part of the College Park Homeownership Program. The program will be subdivided in two phases (Subphase 1 – 40 units and Subphase 2 – 30 units). Subphase 1 is currently underway with the construction of the first 5 homes.

The rental phases are managed by a private management company as part of MHA's overall asset management plan to turn the majority of its portfolio to privatized management.

Uptown Project

Hurt Village demolition and the disposition of Lauderdale Courts are part of the greater UPTOWN initiative, which is a combination of HOPE VI and mixed finance new development. The MHA and its developer are moving forward with the major rehabilitation/conversion of Lauderdale Courts into 347 units of mixed income community. The Uptown Project will also include a mixture of multi-family public housing, LIHTC and market rate housing and also single family home ownership and rental units. These units will replace old, outdated and unsafe public housing units and will bolster the redevelopment of the area immediately north of downtown Memphis.

University Place (Formerly Lamar Terrace)

The MHA was awarded a third HOPE VI Grant for the redevelopment of the Lamar Terrace Development. The entire 24 acre site will be demolished and redeveloped into a 391 unit mixed-income development containing a 120 unit senior only facility, single family homeownership and multifamily rental units, extensive public improvements including a community center and other recreational amenities. The University Place initiative is part of a larger redevelopment initiative which will focus on the redevelopment of the Lamar Terrace.

Other asset management initiatives include privatizing various maintenance related areas at our developments including landscaping, plumbing, HVAC and emergency

repairs. The MHA is also evaluating various apartment complexes in the Memphis area for acquisition to replace demolished and/or disposed of units providing an influx of newly developed or recently remodeled housing stock. It is anticipated that part of the funds available for these purchases as well as planned revitalization programs will come from the application for THDA low income housing tax credits and the proceeds of City of Memphis general obligation bonds.

MHA's strategies for asset management and revitalization will enable us to increase our occupancy and increase our effectiveness for maintenance needs at our developments. Following the above strategies will allow us improve our PHAS scores.

18. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board Recommendations

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

2. If yes, the comments are: (if comments were received, the PHA **MUST** select one)
 Attached at Attachment
 Provided below:

3. In what manner did the PHA address those comments? (select all that apply)
 Considered comments, but determined that no changes to the PHA Plan were necessary.
 The PHA changed portions of the PHA Plan in response to comments
List changes below:
 Other: (list below)

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

1. Yes No: Does the PHA meet the exemption criteria provided section 2(b)(2) of the U.S. Housing Act of 1937? (If no, continue to question 2; if yes, skip to sub-component C.)

2. Yes No: Was the resident who serves on the PHA Board elected by the residents? (If yes, continue to question 3; if no, skip to sub-component C.)

3. Description of Resident Election Process

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

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

b. Eligible candidates: (select one)

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

c. Eligible voters: (select all that apply)

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

C. Statement of Consistency with the Consolidated Plan

1. Consolidated Plan jurisdiction: *City of Memphis*

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

- The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.
- The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan (list below)
- Other: (list below)
The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: The City of Memphis has made commitments to support the revitalization activities planned by MHA for the College Park (Lemoyne Gardens), and Uptown sites including Uptown Square (Lauderdale Courts), Greenlaw Place Apartments, scattered site development,

and other components of the Hurt Village Revitalization Plan, University Place HOPE VI Project. City funds will be used for community and supportive services, infrastructure, and/or down payment assistance. The City is also targeting several neighborhoods for strategic development initiatives, including the College Park area, the Greenlaw/Manassas neighborhood, and the area surrounding Foote Homes and Cleaborn Homes. (No City funds will be used to pay for community and supportive service activities for the University Place HOPE VI Project. A grant from the Women's Foundation will be used to support these services. In the Foote/Cleaborn area, the City is sponsoring the Peabody/Vance Collaborative, which provides supportive services, a micro loan program, and job training programs to public housing residents.

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

D. Other Information Required by HUD

Definition for Significant Amendments and Substantial Deviation/Modifications to the Plan:

1. Changes to rent or admissions policies or organization of the waiting list
2. Additions of non-emergency work items (items not included in the current annual Statement or Five-Year Action Plan) or change in the use of replacement reserve funds under the Capital Fund
3. Any change with regard to demolition or disposition, designation, homeownership



Admissions and Continued Occupancy Policy Governing HUD-Aided Public Housing (ACOP)

**Operated by:
Memphis Housing Authority**

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Admissions and Continued Occupancy Policy Governing HUD-Aided Public Housing Operated by the Memphis Housing Authority

I. Nondiscrimination

A. Compliance with Civil Rights Laws

1. It is the policy of the Memphis Housing Authority (MHA) to comply with all laws relating to Civil Rights, including but not limited to:

- Title VI of the Civil Rights Act of [1964 \(42 U.S.C 2000d – 2000d-4, implementing regulations at 24 CFR Part 1\)](#)
- Title VIII of the Civil Rights Act of 1968 (as amended by the 1974 HCDA and the Fair Housing Amendments Act of 1988), (See [42 USC 3601-19, implementing regulations at 24 CFR Part 100](#))
- Executive Order 11063, [as amended by Executive Order 12259 \(See 24 CFR part 107\)](#); Section 504 of the Rehabilitation Act of 1973, (See [29 USC 794, implementing regulations at 24 CFR Part 8](#))
- the Age Discrimination Act of 1975, (See [42 USC 6101 – 6107, implementing regulations at 24 CFR Part 146](#))
- Title II of the Americans with Disabilities Act ([42 USC 12101 et seq.](#)) (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern), (Title II deals with common areas and public space, not living units.)
- any applicable State laws or local ordinances, and
- any federal, state, or local legislation protecting the individual rights of tenants, applicants or staff that may subsequently be enacted
- The Calvert Consent Order, dated December 23^d, 1996

2. MHA shall not discriminate because of race, color, national origin, sex, religion, familial status, or disability in theadvertising, leasing, rental, or other disposition of housing or related facilities, including land, that is part of any project or projects under MHA's jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended, or in the use or occupancy thereof. (24 CFR § 100.5)

3. MHA shall not, on account of race, color, national origin, sex, religion, familial status, or disability treat any family or person in the manner described below:

- (a) Deny anyone the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to lease housing suitable to its needs;
- (b) Provide anyone housing that is different from that provided others;
- (c) Subject anyone to segregation or disparate treatment;

¹ 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 allows persons with disabilities to participate in the public housing program.

- (d) Restrict anyone's access to any benefit enjoyed by others in connection with the housing program;
- (e) Treat anyone differently in determining eligibility or other requirements for admission;
- (f) Deny anyone access to the same level of services³; or
- (g) Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program.

4. MHA shall not automatically deny admission to any group or category of otherwise qualified applicants (e.g., families with children born to unmarried parents or families whose head or spouse is a student). Each applicant in a particular group or category must be treated on an individual basis in the normal processing routine.

5. MHA will identify and eliminate situations or procedures that create a barrier to equal housing opportunity for all. In accordance with Section 504, and the Fair Housing Amendments Act of 1988, MHA will make structural modifications to its housing and non-housing facilities (24 CFR §§ 8.21, 8.23, 8.24, and 8.25) and make reasonable accommodations in its procedures or practices (24 CFR § 100.204) to permit people with disabilities to take full advantage of the MHA's housing program and nonhousing programs.

- (a) In making reasonable accommodations or structural modifications to **existing housing programs** (See 24 CFR § 8.24) or in **carrying out Other Alterations** [See 24 CFR § 8.23(b)] for otherwise qualified persons with disabilities, MHA is **not** required to:
 - (i) Make each of its existing facilities accessible [24 CFR § 8.24 (a) (1)] ; or make structural alterations when other methods can be demonstrated to achieve the same effect; [24 CFR § 8.24 (b)]
 - (ii) Make structural alterations that require the removal or altering of a loadbearing structural member; [24 CFR § 8.32 (c)]
 - (iii) Provide an elevator in any multifamily housing project solely for the purpose of locating accessible units above or below the grade level; [24 CFR § 8.26]
 - (iv) Take any action that would result in a fundamental alteration in the nature of the program; [24 CFR § 8.24 (a) (2)] or
 - (v) Take any action that would result in an undue financial and administrative burden on the Authority. [24 CFR § 8.24 (a) (2)]
- (b) When the MHA is making **substantial alterations** (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) to an existing housing facility MHA is not required to:

² Except that MHA is obliged to offer reasonable accommodations to applicants with disabilities. This will not affect MHA's screening or eligibility standards, but it might require MHA to revise its procedures or practices in carrying out those standards.

³ This requirement applies to services provided by MHA and services provided by others with MHA's permission on public housing property. Thus, a health screening program offered by the local health department in a public housing community room would have to be fully accessible to persons with disabilities.

(i) Provide an elevator in any multifamily housing project solely for the purpose of locating accessible units above or below the grade level; [24 CFR § 8.26]

(ii) Make structural alterations that require the removal or altering of a loadbearing structural member; [24 CFR § 8.32 (c)] or

(iii) Make structural alterations to meet minimum accessibility requirements where it is structurally impracticable. Structural impracticability is defined as: Changes having little likelihood of being accomplished without removing or altering a loadbearing structural member and/or incurring an increased cost of 50% or more of the value of the element of the building or facility involved. [24 CFR § 8.32 (c) and § 40, Uniform Federal Accessibility Standards, 3.5 and 4.1.6(3)]

Note that the undue burdens test is not applicable to housing undergoing substantial alteration.

6. 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

7. Childhood lead poisoning is one of the most common pediatric health problems in the United States and it is preventable. MHA desires to focus on lead poisoning before it occurs. All potential residents, prior to being assigned a unit, shall have their children under seven years of age tested for the levels of lead in their blood. Potential residents may be tested or have their children tested by the MemphisShelby County Health Department or their health care provider. The potential residents will be responsible for having the test completed. Potential residents must execute a medical record release form and have a copy of all results forwarded to the MHA prior to being assigned a unit. If a potential resident fails to have their children under seven years of age tested, or fails to have the results forwarded to MHA within ten days of the notice of an available unit, the potential resident's name will go to the bottom of the housing waiting list.

B. Accessibility and Plain Language

1. Facilities and programs used by residents must 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 and so on must be usable by residents with a full range of disabilities. If none of these facilities are already accessible (and located on accessible routes), some~~d~~ must be made so, subject to the undue financial and administrative burden test. (24 CFR § 8.20 and 8.21)

2. Documents to be used by applicants and residents will be made available in formats accessible for those with vision or hearing impairments (24 CFR § 8.6). Equally important, the 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 as needed⁵.

⁴ 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.

⁵ 24 CFR § [5.502](#) 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

3. Some aspects of eligibility, rent computation, applicant screening, reasonable accommodations, and lease compliance are complicated, but MHA will present examples to help applicants and residents understand the issues involved. In writing materials for applicants and residents, MHA staff will keep in mind that mental retardation, learning disabilities and cognitive disabilities may affect the applicant's ability to read or understand – so rules and benefits may have to be explained verbally, perhaps more than once. (24 CFR § 8.6)

4. At the point of initial contact with all applicants, MHA staff will ask whether they need some form of communication other than plain language paperwork. Alternative forms of communication might include: sign language interpretation; having materials explained orally by staff, either in person or by phone; large type materials; information on tape; having someone (friend, relative or advocate) accompany the applicant to receive, interpret and explain housing materials; permitting applicants to file applications by mail; and permitting alternative sites for application taking. (24 CFR § 8.6)

5. Some applicants will not be able to read (or to read English), so intake 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 sign language interpreters for the hearing impaired [24 CFR § 8.6] because the Fair Housing law makes no such requirement).

6. At a minimum, MHA will prepare the following information in plain language accessible formats:

- Marketing, promotional and informational materials
- Information about the application process
- How rents and utility allowances are determined
- The application form and required certifications
- All form letters and notices to applicants and residents
- General statement about reasonable accommodation
- Orientation materials for new residents
- The lease and house rules, if any
- Guidance or instructions about care of the housing unit
- Information about opening, updating or closing the waiting list
- All information related to applicant's rights (to informal hearings, etc.)

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.

II. Eligibility for Admission and Processing of Applications

A. Affirmative Marketing

1. MHA will conduct outreach as needed to maintain an adequate application pool representative of the eligible population in the area. Outreach efforts will consider the level of vacancy in the MHA's units, any disparity in incomes between developments, availability of units through turnover, and waiting list characteristics. MHA will periodically assess these factors in order to determine the need for and scope of any marketing efforts. All marketing efforts will include outreach to those least likely to apply (**Affirmative Marketing Requirement**).

2. Marketing and informational materials will be subject to the following:

- (a) Marketing materials will comply with Fair Housing Act requirements (where applicable) on wording, logo, size of type, etc.;
- (b) Marketing will describe the housing units, application process, and waiting list and preference structure accurately;
- (c) Marketing will use clear and easy to understand terms and will use more than strictly English-language print media;
- (d) Agencies that serve and advocate for potentially qualified applicants least likely applying (e.g. the disabled) will be contacted to ensure that accessible/adaptable units are offered to applicants who need their features;
- (e) Marketing materials will make clear who is eligible: low income individuals and families; working and non-working people; and people with both physical and mental disabilities; and
- (f) MHA will be clear about its responsibility to provide reasonable accommodations to people with disabilities.

B. Qualification for Admission

1. It is MHA's policy to admit **only** qualified applicants⁶.

2. An applicant is qualified if he or she meets all of the following criteria:

- (a) Is a family as defined in Section XII of this policy?;
- (b) Meets the HUD requirements on citizenship or immigration status; [24 CFR [Part 5, Subpart E](#)]
- (c) Has an Annual Income (as defined in Section XI 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 MHA offices.

⁶ 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 handicaps. Eligibility is a term having specific meaning under the Housing Act of 1937. In order to be eligible, a family must meet four tests: (1) they must meet HA's definition of family; (2) have an Annual Income at or below program guidelines; (3) each family member, age 6 or older, must have 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 [Part 5, Subpart E](#)**.

- (d) Provides documentation of Social Security numbers for all family members, age 6 or older, or certifies that they do not have Social Security numbers; [24 CFR § 5.216] and
- (e) Meets or exceeds the Applicant Selection Criteria set forth in Section II. F. of these policies, including attending and successfully completing a MHA approved pre-occupancy orientation session;

C. Waiting List Management

1. It is the policy of MHA to administer its waiting list as required by the regulations at [24 CFR § 960.206](#).

2. Opening and Closing Waiting Lists

- (a) MHA, at its discretion, may restrict application intake, suspend application intake, and close waiting lists in whole or in part. MHA may open or close the list for persons with a high preference category, or by unit size or type available. See (c) below.
- (b) For any unit size or type, if the MHA's highest waiting list preference category 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 unit.
- (c) Decisions about closing the waiting list will be based on the number of applications available for a particular size and type of unit, the number of applicants who qualify for a preference, and the ability of MHA to house an applicant in an appropriate unit within a reasonable period of time (between twelve and eighteen months). A decision to close the waiting lists, restricting intake, or opening the waiting lists will be publicly announced.
- (d) During the period when the waiting list is closed MHA will not maintain a list of individuals who wish to be notified when the waiting list is reopened.

3. Determining if the Waiting List may be Closed

MHA will use its **Procedure on Opening and Closing the Waiting List**⁷ to determine whether the waiting list(s) may be closed.

4. Updating the Waiting List

- (a) Beginning in April of 2000 MHA will update each waiting list sublist (by unit type and BR size) at least once a year by contacting all applicants in writing⁸.
If, after two attempts in writing⁹, no response is received, MHA will withdraw the names of applicants from the waiting list.

⁷ 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 choices made in this document. The procedures are for use by staff and may be modified or amended as needed without Board approval.

⁸ Or by the method designated at initial application by applicants with disabilities.

⁹ Both the first and second written communication will be sent by first class mail.

At the time of initial intake, MHA will advise families of their responsibility to notify the MHA when their circumstances, mailing address or phone numbers change.

- (b) MHA will not remove an applicant's name from the waiting list except in accordance with its **Procedure on Updating the Waiting List and Removing Applications**

5. Change in Preference Status While on the Waiting List

- (a) Families on the waiting list who did not qualify for a local or ranking preference when they applied may experience a change in circumstances that qualifies them for a preference. In such instances, it will be the family's duty to contact MHA so that their status may be recertified or, depending on application processing status, reverified. Applicants whose preference status changes while they are on the waiting list will retain their original date and time of application.
- (b) To the extent that 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 work on the assumption that the facts certified to by the applicant in the preliminary application are correct, although all those facts will be verified later in the application process.

2. Interviews and Verification Process

As applicants approach the top of the waiting list, they will be contacted and requested to come to the MHA Administration Building for an interview to complete their applicant files. Applicants who fail to attend their scheduled interview or who cannot be contacted to schedule an interview will have their applications withdrawn, subject to reasonable accommodations for people with disabilities.

- (a) 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 Age 6+
 - (vii) Information Used in Applicant Screening
 - (viii) Citizenship or eligible immigration status
- (b) Third party written verification is the preferred form of documentation to substantiate applicant or resident claims. If third party written verifications are not available, 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.

- (c) Verification of eligible immigration status shall be carried out pursuant to [24 CFR § Part 5, Subpart E](#). Citizens are permitted to certify to their status.

3. Applicants reporting zero income will be asked to complete a family expense form. This form will be the first completed in the interview process. The form will ask applicants 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. It will also ask applicants about the status of any application or benefits through TANF or other similar programs. (If a “zero income” family is admitted, redeterminations of income will be performed every 90 days. See Section 3. C, Periodic Reexaminations, of this policy.)

4. MHA’s records with respect to applications for admission to any low-income housing assisted under the United States Housing Act of 1937, as amended, shall indicate for each application the date and time of receipt; The applicant’s race and ethnicity; the determination by MHA as to eligibility or ineligibility of the applicant; when eligible, the unit size(s) for which eligible; the preference, if any; and the date, location, identification, and circumstances of each vacancy offered and accepted or rejected. [[24 CFR § 85.42](#)]

E. The Preference System

1. **It is MHA's policy that a preference does not guarantee admission.** Preferences are used to establish the order of placement on the waiting list. Every applicant must still meet MHA's Resident Selection Criteria (described later in this policy) before being offered a unit.

2. Factors other than preferences that affect the selection of applicants from the waiting list

Before applying its preference system, MHA will first match the characteristics of the available unit to the applicants available on the waiting list. Factors such as unit size, accessibility features, or type of project, limit the admission of families to those households whose characteristics “match” the characteristics and features of the vacant unit available.

By matching unit and family characteristics, it is possible that families lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application, or ahead of 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).

Factors other than the preference system that affect applicant selection for unit offers are described below:

- (a) 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.

If no family needing accessible features can be found for a unit with accessible features, MHA will house a family not needing the unit features, subject to the requirement in the Tenant Selection and Assignment Plan, under which a non-disabled family in an accessible unit can be required to move so that a family needing the unit features can take advantage of the unit.

- (b) When selecting a family for a unit in housing designated for elderly families, or disabled families, if any, MHA will give a priority to elderly, disabled or near elderly families as described later in this section.
- (c) When selecting a family for a unit in a mixed population development (a property that houses both elderly and disabled families, as opposed to a general occupancy development that houses non-elderly families as well), MHA will give a priority to elderly families and disabled families as described later in this section.
- (d) When selecting a single person at a Mixed Population development, elderly or disabled persons have priority over singles that are not elderly or disabled regardless of preferences. Single applicants who are not elderly or disabled can only be admitted after all elderly or disabled families have been offered units. [24 CFR § 960.407] 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.

3. Local Preference: Non-Revitalized Developments

There is one local preference in effect based on ranges of income applicable to all developments except those constructed on the former site of Lemoyne Gardens, and other revitalized developments or newly acquired developments. Under the MHA-wide system, applicants will be grouped as follows:

- **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);
- **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); and

At least 40% of all applicants admitted in any year must be applicants from Tier I. This is a requirement of the Quality Housing and Work Responsibility Act of 1998.

4. Local Preference: Revitalized Developments

There is a different local preference based on ranges of income applicable to the revitalized developments constructed on the former Lemoyne Gardens site as follows or any other revitalized or newly acquired developments:

Elderly Buildings

- **Tier I:** Elderly and near elderly families with incomes between 0% and 30% of area median income (this group **must** constitute at least 40% of all admissions in any year);
- **Tier II:** Elderly and near elderly families with incomes between 31% and 60% of area median income (the target for this group is 60% of all admissions in any year).

Family Buildings

- **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);
- **Tier II:** Families with incomes between 31% and 60% of area median income (the target for this group is 10% of all admissions in any year); and

- **Tier III:** Families with incomes between 61% and 80% of area median income (the target for this group is 50% of all admissions in any year).

5. Ranking Preference

There are two possible ranking preferences in effect: first is the **Displacement Preference**, and second is the **Upward Mobility Preference** (as defined in Section XII). **MHA's Procedure on Unit Offers and Applicant Placement** will be used to order the Waiting List and make unit offers.

Families that qualify for neither the Natural Disaster/Governmental Displacement nor the Upward Mobility preferences will be categorized as No-preference families.

6. Preference for Returnees: Revitalized Developments

In addition to these ranking preferences, there shall be a preference in effect, at revitalized developments only, for former residents who had previously indicated that they wished to return. To qualify for this preference a family would have to: a) indicate at the time they make their Permanent Housing Choice that they wish to return; b) accept temporary relocation as assigned by MHA until the revitalized units are ready for return; c) be a tenant in good standing at the housing assigned for temporary relocation when the revitalized units are ready for re-occupancy and d) pass the screening requirements approved in the Management Plan.

7. Mixed Population Buildings Local Preference

In addition to the Income Tier preference, which applies to all MHA's developments, MHA elects to retain the former Federally mandated priority for single persons who are either elderly, persons with disabilities, or persons displaced by governmental action over all other single persons when filling vacancies in its Mixed Population buildings.

8. Method of Applying Preferences

To ensure that MHA admits the statutorily required 40% of applicants per year with incomes in Tier I and, at the same time, does not create concentrations of families by income at any of its properties, MHA will rank applicants within both income tiers as Displacement, Upward Mobility or no-preference. Four out of every ten applicants admitted in any fiscal year will be from Tier I. If there are insufficient applications among the Tier I Displacement preference holders, Tier I Upward Mobility preference holders will be selected. If there are insufficient Upward Mobility preference holders, staff will make offers to the No-preference applicants in Tier I. Within each of the ranking preference categories, offers will be made by oldest application. [See 24 CFR § 960.208(e)(1)(i)] The remaining six out of every ten applicants admitted, will be from Tier II, subject to the same ranking preferences sorted by application date and time.

Former residents returning to revitalized developments will not count against the income tier targets. Rather, these families will be treated as transferees, even if their temporary relocation has been through the Section 8 program.

- MHA will house applicants from Tiers I and II on the waiting list by selecting first from the Displacement applicants, then from Upward Mobility applicants within each Tier, and then, if the Upward Mobility applications are exhausted, by selecting from the No-preference applicants within each Tier.
- 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.

- (c) MHA will neither hold units vacant for prospective applicants with preferences, nor will it relax eligibility or screening criteria to admit otherwise unqualified applicants with preferences.

9. Definition of Displacement and Upward Mobility Preference

MHA defines Displacement to include applicants who can document that they have been displaced by a natural disaster declared by the President of the United States, displaced, through no fault of their own by governmental action, or displaced by domestic violence.

MHA defines Upward Mobility to include all applicants with adult members who can document that they are employed or involved in job training, including job training undertaken as a requirement of persons receiving Temporary Assistance to Needy Families, as defined in Section XII. Additionally, persons who cannot work because of age or disability qualify for this ranking preference. [\[24 CFR § 960.206\(b\)\(2\).\]](#)

Although the ranking preferences have several subcategories, the subcategories will not be combined or aggregated in any way. Applicants will be considered for admission based on any one of the subcategories in which they qualify. Thus, an applicant whose family includes two members with Upward Mobility preferences does not rank any higher than a family that has only one member qualifying for the Upward Mobility preference.

10. Withholding Preferences

As required by law, MHA will withhold a preference from an applicant if any member of the applicant family is a person evicted from housing assisted under the 1937 Housing Act during the past three years because of drug-related or criminal activity that threatens the health, safety or peaceful enjoyment of other residents or MHA staff. MHA may grant admissions preference in any of the following cases

- (a) If MHA determines that the evicted person has successfully completed a rehabilitation program approved by MHA;
- (b) If MHA determines that the evicted person clearly did not participate in or know about the drug-related criminal activity; or
- (c) If MHA determines that the evicted person no longer participates in any drug-related or criminal activity that threatens the health, safety or right to peaceful enjoyment of other tenants or staff of MHA.

11. Designated Housing

The preference system described above will work in combination with requirements to match the characteristics of the family to the type of unit available, including developments with HUD approved designated populations, if any. When such matching is required or permitted by current law, MHA will give preference to the families described below. The ability to provide preferences for some family types will depend on unit size available.

- (a) **Projects designated for the elderly:**¹⁰ Elderly families will receive a priority for admission to units or buildings covered by a HUD-approved Designation Plan. [\[24 CFR Part 945\]](#).
When there are insufficient elderly families on the waiting list, near-elderly families (head or spouse ages 50 to 61) will receive a priority for this type of unit.
- (b) **Projects designated for disabled families:**¹¹ Disabled families will receive a priority for admission to units or buildings that are covered by a HUD-approved Designation Plan. [\[24 CFR part 945\]](#)
- (c) **Mixed population Projects:**¹² Elderly families, disabled families and families displaced by governmental action will receive equal priority for admission to such units.
All elderly, disabled or displaced applicants who are single persons shall be admitted before single persons who are not elderly, disabled nor displaced.
- (d) **General Occupancy Projects:** The priority for elderly and disabled families and displaced persons over single persons does not apply at General Occupancy Properties.

12. Administration of the Preferences

- (a) 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 there is no waiting list or the waiting list is very short) 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). Verification of preferences is one of the earliest steps in processing waiting list families for admission. Preference verifications shall be no more than 120 days old at the time of certification.
- (b) At the time of pre-application, MHA will use a pre-application to obtain the family's certification that it qualifies for a preference. Between pre-application and the application interview, the family will be advised to notify MHA of any change that may affect their ability to qualify for a preference.
- (c) 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.
- (d) Applicants that self-certify to a preference at the time of pre-application and cannot verify current preference status at the time of certification will lose their preference status and their standing on the waiting list.

¹⁰ This reference is to buildings or portions of buildings designated for the elderly by following HUD's requirements. Designation of housing for the elderly requires the preparation of a designated housing plan. The plan must be presented to HUD for review and approval.

¹¹ Buildings, floors and units can also be designated for disabled families, also by following the HUD requirements. This entails preparing a designated housing plan noting which buildings (if any) will be set aside for disabled families. HUD approval is required for the plan.

¹² A mixed population project is a property (or portion of a property) that was: reserved for elderly and disabled families at its inception and has retained that character; or the MHA obtained HUD approval to retain the property for elderly and disabled families. These projects were formerly known as elderly projects.

Families that cannot qualify for any of the preferences will be moved into the No preference category, and to a lower position on the waiting list based on date and time of application.

- (e) Families that claim a preference at pre-application, but do not qualify for a preference at the time of application interview, will be notified in writing and advised of their right to an informal meeting as described below. If otherwise qualified, the family's application will then be placed on the waiting list in the appropriate No preference category.

13. Notice and Opportunity for a Meeting [24 CFR § 960.208(a)]

If an applicant claims but does not qualify for a preference, the applicant can request a meeting:

- (a) MHA will provide a written notice if an applicant does not qualify for a preference. This notice shall contain: a brief statement of the reasons for the determination, and a statement that the applicant has the right to meet with MHA's designee to review the determination.
- (b) If the applicant requests the meeting, MHA shall designate an officer or employee to conduct the meeting. This person(s) can be the person who made the initial determination or reviewed the determination of his or her subordinate, or any other person designated by the MHA. A written summary of this meeting shall be made and retained in the applicant's file.
- (c) 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 the MHA's decision to deny the preference.

F. Applicant Selection Criteria

1. It is MHA's policy that all applicants shall be screened in accordance with HUD's regulations (24 CFR § 960) 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;
- (e) not to interfere with the rights and peaceful enjoyment of others, and to avoid damaging the property of others;
- (f) not to engage in criminal activity that threatens the health, safety or right to peaceful enjoyment of 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 the 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**. Information to be considered in completing applicant screenings shall be reasonably related to assessing 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 the 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; [24 CFR § [960.203\(c\)](#)]
 - (ii) Adversely affect the physical environment or financial stability of the project; [24 CFR § [960.203\(c\)\(1\)](#)]
 - (iii) Violate the terms and conditions of the lease; [See 24 CFR § 8.3 Definition: **Qualified individual with handicaps**]
 - (iv) Require services from MHA staff that would alter the fundamental nature of MHA's program. [See 24 CFR § 8.3 Definition: **Qualified individual with handicaps**]
- (c) MHA will conduct a detailed interview of all applicants using an interview checklist. The checklist is part of the screening procedures (**Screening Procedure**) used in support of this policy. The form will ask questions based on the essential elements of tenancy. Answers will be subject to third party verification. [24 CFR § [960.259\(c\)](#)]
- (d) MHA will complete a credit check and a rental history check on all applicants. In carrying out the credit check MHA will pay particular attention to the applicant's history of rental payment as opposed to payment history generally.
- (e) Payment of funds owed to MHA or any other housing authority is part of the screening evaluation. Payment of outstanding balances is an opportunity for the applicant to demonstrate an improved track record. MHA will reject an applicant for unpaid balances owed MHA by the applicant for any program that MHA operates. MHA expects these balances to be paid in full (either in a lump sum or over time) before initiating the full screening process. MHA will not admit families who owe back balances. [See 24 CFR § [960.203\(c\)\(1\)](#)]
- (f) MHA will complete a criminal background check on all adult applicants or any member for whom criminal records are available. [24 CFR §§ [960.203](#) – [960.205](#)]
- (g) MHA will complete a home visit on all applicants.¹³ Housekeeping inspections will be used to determine whether the applicant's housekeeping would contribute to health or sanitation problems. MHA staff completing the home visit must consider whether the conditions they observe are the result of the applicant's treatment of the unit or whether they are caused by the unit's overall substandard condition.

¹³ If MHA is unable to perform home visits on all applicants, MHA may elect to perform home visits only on applicants who have passed the criminal background check or on applicants whose landlord references are marginal. MHA will not make home visits to housing units where the applicant has no control over the quality of the housing, such as to persons living in homeless shelters.

- (i) Housekeeping criteria shall include, but not be limited to:
- Conditions in living room, kitchen (food preparation and cleanup), bathroom, bedrooms, entrance-ways, halls, and yard (if applicable);
 - Cleanliness in each room; and
 - General care of appliances, fixtures, windows, doors and cabinets.
- (ii) Other MHA lease compliance criteria will also be checked, such as:
- Evidence of destruction of property;
 - Unauthorized occupants;
 - Evidence of criminal activity; and
 - Conditions inconsistent with application information.
- (iii) All applicants shall have at least two days' advance written notice of Home Visits.
- (iv) The purpose of the Home Visit is to obtain information to be used in determining the applicant's compliance with Applicant Screening Criteria.
- (h) All applicants are required to attend and complete MHA's PreOccupancy Orientation.
- (i) 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 past performance in meeting financial obligations, especially rent and utility bills. [24 CFR § [960.203\(c\)\(1\)](#)]
 - A record of disturbance of neighbors (sufficient to warrant a police call) 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.[24 CFR § [960.203\(c\)](#)]
 - Any history of criminal activity on the part of any applicant family member involving 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. [24 CFR § [960.204](#) & the Anti-Drug Act of 1988]
 - A record of eviction from housing or involuntary termination from residential programs (taking into account date and circumstances).
 - An applicant's ability and willingness to comply with the terms of MHA's lease. [24 CFR § [8.3](#) Definition: Qualified Individual with Handicaps]
- (j) An applicant's intentional misrepresentation of any information related to eligibility, award of 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.
- (k) 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 have or will

have at the time of admission.¹⁴ [24 CFR § 8.2 Definitions: Qualified Individual with Handicaps]
Availability of assistance is subject to verification by MHA.

3. Screening applicants who claim mitigating circumstances

- (a) 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. [\[24 CFR §960.203\(d\)\]](#) To be factored into MHA's screening assessment of the applicant, mitigating circumstances must be verifiable.
- (b) Mitigating circumstances¹⁵ are facts relating to the applicant's record of unsuitable rental history or behavior, which, when verified, indicate both: (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.
- (c) If the applicant asserts that the mitigating circumstances relate to a change in disability, medical condition or course of treatment, MHA shall have the right to 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 reasonably needed to verify the mitigating circumstance, even if such information is of a medically confidential nature. Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.
- (d) Examples of mitigating circumstances might include:
 - (i) Evidence of successful rehabilitation;
 - (ii) Evidence of the applicant family's participation in social service or other appropriate counseling service; or
 - (iii) Evidence of successful and sustained modification of previous disqualifying behavior.
- (e) Consideration of mitigating circumstances does not guarantee that applicant will qualify for admission. MHA will consider such circumstances in light of:
 - (i) the applicant's ability to verify the claim of mitigating circumstances and his/her prospects for improved future behavior;
 - (ii) the applicant's overall performance with respect to all the screening requirements; and

¹⁴ 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.

¹⁵ 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\(d\)](#).

(iii) the nature and seriousness of any criminal activity, especially drug related criminal activity that appears in the applicant's record.

4. 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; [24 CFR § 5.403]
 - (ii) Eligibility of the applicant with respect to income limits for admission; [24 CFR § [5.601 et seq.](#)]
 - (iii) Eligibility of the applicant with respect to citizenship or eligible immigration status; [24 CFR § [5.500 et seq.](#)]
 - (iv) Unit size required for and selected by the family;
 - (v) Preference category (if any) to which the family is entitled; [24 CFR [Part 960](#)] and
 - (vi) Qualification of the applicant with respect to the Applicant Selection Criteria. [24 CFR [Part 960](#)]
- (b) Families determined to be qualified will be notified by MHA of the approximate date of occupancy insofar as that date can be reasonably determined [24 CFR § [960.208\(b\)](#)]. However, the date stated by MHA is just an estimate and does not mean that applicants should necessarily expect to be housed by that date. The availability of a suitable unit to offer a family is contingent upon many factors MHA does not control, such as turnover rates, and market demands as they affect bedroom sizes and project location.
- (c) Applicants determined unqualified for admission will be promptly notified. These applicants will receive a Notice of Rejection from MHA, stating the basis for such determination. MHA shall provide such applicants with an opportunity for informal review of the determination as described in **Procedure for Informal Hearing for Rejected Applicants**. The informal hearing for applicants should not be confused with the resident grievance process. Applicants are not entitled to use of the resident grievance process. [24 CFR § [960.208\(a\)](#)]
- (d) Applicants known to have a disability that are determined eligible but fail to meet the Applicant Selection Criteria, will be offered an opportunity for a second meeting to have their cases examined to determine whether mitigating circumstances or reasonable accommodations will make it possible for them to be housed in accordance with the Screening Procedures.

G. Occupancy Guidelines

1. Units shall be occupied by families of the appropriate size. This policy maintains the usefulness of the units, while preserving them both from excessive wear and tear and underutilization. It is also fully compliant with HUD rules related to Occupancy Standards.

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

<u>Number of Bedrooms</u>	<u>Min Persons/Unit</u>	<u>Max Persons/Unit</u>
	<u>(Largest Unit Size)</u>	<u>(Smallest Unit Size)</u>

0BR	1	1
1BR	1	2
2BR	2	4
3BR	3	6
4BR	4	8
5BR	5	10

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) An unborn child will not be counted as a person in determining unit size. A single pregnant woman may be assigned to a one bedroom unit. In determining unit size, MHA will count a child who is temporarily away from the home because the child has been placed in foster care, kinship care, or is away at school.
- (e) 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.
- (f) 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.
- (g) Efficiency apartments will be occupied first by persons who prefer efficiencies to 1 BR units. Once applicants who prefer efficiencies have been housed, single individuals applying to Mixed Population buildings who wish to live in 1 Bedroom units (rather than efficiencies) will participate in a lottery to determine whether they will be offered a 1 BR or an efficiency.

2. The Local Housing Code of two persons per bedroom will be used as the standard for the smallest unit a family may be offered. Individual housing units with very small or very large bedrooms or other specific situations that inhibit or encourage lower or higher levels of occupancy may be permitted to establish lower or higher occupancy levels. The MHA must make the case that such occupancy levels will not have the effect of discriminating on the basis of familial status.

3. 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.

4. When a family applies for housing, and each year when the waiting list is updated, some families will qualify for more than one unit size. Both at application and at update, the applicant family must choose the waiting sublist corresponding to one of the unit sizes for which they qualify. Factors that might affect the family's decision could include cultural standards, length of time the family would have to wait for smaller

vs. larger units, and the age, relationship and gender of family members. Based on the family's choice, they will be placed on the appropriate waiting sublist by unit size.

The family (not the MHA) decides which size of unit they wish to be listed for (corresponding to the smallest, largest or a unit in between, for which they qualify).

5. When a family is actually offered a unit, if they no longer qualify for the unit size corresponding to the waiting sublist, 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.

6. A family that chooses to occupy a smaller size unit must agree not to request a transfer until their family size changes.

7. **IMPORTANT:** The unit size standards shall be discussed with each applicant family that qualifies for more than one unit size. Families will also be informed about the status and movement of the various waiting lists and sublists maintained by MHA. Families shall be asked to declare in writing the waiting list on which they wish to be placed. If a family opts for a smaller unit size than would normally be assigned under the largest unit size standard (because, for example, the list is moving faster), the family will be required to sign a statement agreeing to occupy the unit assigned at their request until their family size or circumstances change. The MHA shall change the family's sublist at any time while the family is on the waiting list at the family's request.

III. Tenant Selection and Assignment Plan

A. Organization of the Waiting List

1. Community-wide Waiting List

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:

- type and size of unit needed and selected by the family (e.g. general occupancy building, accessible or non-accessible unit, number of bedrooms);
- applicant preference or priority, if any; and
- date and time the application is received.

MHA will maintain its waiting list in the form of a sequential list 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. This sequential list will then be broken down by unit size and type and applicant preference status and date and time of application.

MHA will be using Site-based Waiting Lists for its revitalized developments and the application for such lists shall be a part of the MHA's Annual Plan. All current applicants for the developments selected for 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. Thereafter, new applicants would have the same opportunity to select up to three developments or "first available" unit offer. "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.

B. Unit Offers to Applicants

1. The plan for assignment of dwelling units to assure equal opportunity and nondiscrimination on grounds of race, color, sex, religion, national origin, disability or familial status is PLAN "A" with modifications as described below. Under Plan A, the first qualified applicant in sequence on the waiting list is made one offer of a unit of appropriate size and type. The applicant must accept the vacancy offered or be dropped from the waiting list. Applicants who are removed from the waiting list because they refuse unit offers without good cause may not reapply for housing for 12 months.

2. MHA will first match the characteristics of the unit available to the highest ranking applicant for a unit of that size, type and special features (if any), taking into account any limitations on admission because of designated housing (if applicable). Preferences, if any, 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 will receive the earliest offer.

3. Further, 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. In selecting applicants for offers of units, MHA will take into account any local preferences that may be properly adopted following the statutorily required public hearing. In determining what local preferences to adopt, MHA must consider the requirements of the Quality Housing and Personal Responsibility Act of 1998 and local housing needs and conditions.

5. The local preferences, if any, described above 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 the MHA will make an offer to an applicant who does not qualify for a local preference. Certain types of transfers will also be processed with new admissions. See Section F. for the ratio of transfers to new admissions.

6. The applicant must accept the vacancy offered within 2 working days of the date the offer is communicated (by phone, mail, or the method of communication designated by the applicant) or be removed from the waiting list. (See good cause discussion below) All offers made over the phone will be confirmed by letter to the applicant. If unable to contact an applicant by phone or first class mail, MHA will send a certified letter, return receipt requested.

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.

C. Due Process Rights for Applicants

To ensure that filling vacant units occurs in a timely manner, it is necessary to have a waiting list that is complete and accurate. While it is the responsibility of each applicant to keep MHA apprised of any changes in his/her address, phone number, family income or other family circumstances, no applicant on the waiting list, now or in the future, shall be removed from the waiting list except when one of the following situations occurs:

1. The applicant receives and accepts an offer of housing;
2. The applicant requests that his/her name be removed from the waiting list;
3. 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 criteria¹⁶; or
4. The application is withdrawn because the MHA attempted to contact the applicant for an annual waiting list update, to schedule a meeting or interview, to offer or show a unit, or for some other reason, and was unable to contact the applicant.

In attempting to contact to contact an applicant, the following two methods shall be undertaken before an application may be withdrawn:

- The applicant will be sent a letter by first class mail to the applicant's last known address, asking the applicant to contact MHA¹⁷ either by returning the update postcard or in person, bringing proof of identity;
- When five working days have elapsed from the date when the MHA mails the letter, if there is no response from the applicant, the applicant will be sent the same letter by first class mail;

¹⁶ 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.

¹⁷ 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 inperson contact or contacting relatives, friends or advocates rather than the person with disabilities.

- If an applicant contacts MHA as required within any of the deadlines stated above, he/she shall be reinstated at the former waiting list position.
 - When MHA is unable to contact an applicant by first classmail to schedule a meeting, or interview or to make an offer, 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). When an application is suspended, applicants next in sequence will be processed.
5. Persons who fail to respond to MHA attempts to contact them because of situations related to a disability shall be entitled to reasonable accommodation, provided that the situation can be verified to be related to a disability. In such circumstances MHA shall reinstate these individuals to their former waiting list positions.
6. Families whose applications are withdrawn or rejected as described above can only be placed on the waiting list again by applying for housing at a time that the waiting list is open. Families whose applications were withdrawn for refusing unit offers without good cause may not reapply for 12 months. In these cases, they will have a new date and time of application.

D. Good Cause for Applicant Refusal of Unit Offer

If an applicant is willing to accept the unit offered but is unable to move at the time of the offer and presents to the satisfaction of MHA, 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 dropped to the bottom of the list.

1. Examples of “good cause” for refusal of an offer of housing include, but are not limited to:
- 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 Housing Quality 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;
 - Inaccessibility to source of employment, education, or job training, children’s day care, or educational program for children with disabilities¹⁸, 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, or take a child out of day care or an educational program for children with disabilities;
 - The family demonstrates to MHA’s satisfaction that accepting the offer will place a family member’s life, health or safety in jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection 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;
 - The family has a child(ren) under age seven and there is lead based paint in the unit;
 - A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (each as listed on final application) or live-in aide necessary to the care of the principal household member;

¹⁸ If the applicant has a child participating in such a program.

- 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; or
- An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing.

2. The applicant must be able to document that the hardship claimed is good cause for refusing an offer of housing. Where good cause is verified, the refusal of the offer shall not require that the applicant be dropped to the bottom of the waiting list or otherwise affect the family's position on the waiting list. (In effect, the family's application will remain at the top of the waiting list until the family receives an offer for which they have no good cause refusal.)

3. 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. Dwelling Units with accessible/adaptable features

1. Before offering a vacant accessible unit to a non-disabled applicant, MHA will offer such units:

- First, to a current occupant of another unit of the same development, or other public housing developments under MHA's control, having a disability that requires the special features of the vacant unit (in effect, a transfer of the occupant with disabilities from a nonadapted unit to the vacant accessible/adapted unit).
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

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

F. Leasing and Occupancy of Dwelling Units

Applications for admission and transfer will be processed centrally. Initial intake, waiting list management, screening, and assigning of housing (including transfers) will be made from the central office. Offers may be made in person, in writing or by phone from the central office or the development

G. Transfers

MHA has five possible types of transfers: Emergency, Administrative - Category 1, Category 2 and Category 3, and Incentive¹⁹ transfers. The definition of each type of transfer is found in the Transfer section of the Admissions and Occupancy Policy.

1. Emergency and Category 1 and 2 administrative transfers and Incentive transfers will take priority over admissions. Category 3 administrative transfers will be processed at the rate of four admissions to each transfer. The specific definitions of each type of transfer are covered in Section V, Transfers, below.

2. Tenants on the transfer list may refuse transfer offers for the "good cause" reasons cited in Section C above without losing their position on the transfer list.

¹⁹ If the 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. 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.
4. Tenants are entitled to 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 [24 CFR § 966].
2. The lease shall be signed by the head, spouse, and all other adult members of the household accepted as a resident family and by the Property Manager or other authorized representative of MHA prior to actual admission. [24 CFR § 966.4 (p)]
3. Changes in family composition, income, or status between the time of the interview with the applicant and the showing of the unit, or between annual reexaminations will be processed centrally. Managers shall work with MHA's central office to forward necessary information and coordinate this activity with the applicant or resident family.
4. If a resident transfers from one MHA unit to another, a new lease will be executed for the dwelling into which the family moves.
5. 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 Notice of Rent Adjustment will be executed, or
 - (c) An appropriate rider will be prepared and made a part of the existing lease, or appropriate insertions made within the lease. 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 the Housing Authority. [24 CFR § 966.4 (o)]
6. Residents must advise MHA if they will be absent from the unit for more than 7 days. Residents are required to notify the manager and make arrangement to secure the unit and provide a means for MHA to contact the resident in the event of an emergency. Failure to advise MHA of an extended absence is grounds for termination of the lease.

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. Staff making offers will be familiar with MHA's housing sites. If the offer of a unit is preliminarily accepted by the applicant, the manager of the property will be advised of the offer and will contact the applicant to set up a date to show the unit. (Intake procedures are described more fully in **MHA Procedure on Taking Applications and Initial Processing**.)
2. Once the unit is shown and the applicant accepts the unit, the manager will execute a lease. If the applicant refuses the unit, a signed reason for refusal should be obtained from the applicant if possible. The form is then sent to central office for a "good cause" determination. **No lease will have an effective date before the unit is ready for occupancy.** [24 CFR § 966.4 (i)]
3. Managers will only show and lease units of the appropriate size. Families may choose to lease units of sizes between the largest and smallest unit for which they qualify. If a family opts to lease a unit smaller than the largest unit for which they qualify, the family shall agree in writing to remain in that size unit until family size or circumstances require a larger unit.

If an exception to MHA's largest unit standard is approved for the applicant, this information will be noted on the leasing packet sent to the manager. No exceptions will be granted to the smallest unit standard, since this would result in overcrowding.

C. Occupancy, 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. [24 CFR § 966.4(a)(v)] Except for natural births to or adoptions by family members, any family seeking to add a new member must request approval in writing prior to the new member occupying the unit. This would include situations in which a resident is granted custody of a child or children not previously listed on the application or lease. Also included, would be situations in which a person (often a relative) came to the unit as a visitor but stayed on in the unit because the tenant needed support, for example, after a medical procedure. [24 CFR §§ 966.4(a)(v), 966.4(c), 960.257] All persons listed on the most recent certification form and the lease must use the dwelling unit as their sole residence.

2. Following receipt of a family's request for approval to add a new person or persons to the lease, MHA will conduct a pre-admission screening of any proposed new adult members. The results of screening shall be used to determine whether the MHA will approve admitting the new member.

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 preadmission screening process, although the resident still needs prior permission from MHA to add children other than those born to or adopted by family members. The exemption age specified in this paragraph is subject to change should the State or locality modify its laws concerning the availability of police or court records for juvenile offenders.

3. Examples of situations where the addition of a family or household member is subject to screening are:

- (a) Resident plans to be married and files a request to add the new spouse to the lease;
- (b) Resident is awarded custody of a child over the age for which juvenile justice records are available;
- (c) 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;
- (d) 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; and
- (e) Resident is being considered for an Incentive Transfer.

4. Residents who fail to notify MHA of additions to the household or who permit persons to join the household without undergoing screening are in violation of the lease. Such persons will be considered unauthorized occupants by MHA and the entire household will be subject to eviction. [24 CFR § 966.4 (f)(3)]

5. Visitors may be permitted in a dwelling unit so long as the visitors have no previous history of behavior on MHA premises that would be a lease violation. Visits of less than three days need not be reported to or approved by the Manager. Visits of more than three and less than fourteen days are permitted, provided they are reported to the Manager within 72 hours and authorized by the manager. Visits of more than 14 calendar days shall be authorized only by the Property manager with advance documentation of extenuating circumstances. In no event shall a visitor be permitted to visit for more than 45 days in any 12

month period without the prior written consent of MHA. Visitors remaining beyond this period shall be considered trespassers and the head of the household shall be guilty of a breach of the lease.

6. In accordance with the lease, roomers and lodgers shall neither be permitted to occupy a dwelling unit, nor shall they be permitted to move in with any family occupying a dwelling unit. Violation of this provision is ground for termination of the lease. [24 CFR § 966.4 (f) (2)]

7. 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 ground for termination of the lease.

8. Family members over age 17 or emancipated minors who move from the dwelling unit to establish new households shall be removed from the lease. [24 CFR § 966.4 (f)(3)] The resident has the responsibility to report the move-out within 30 calendar days of its occurrence.

These individuals may not be readmitted to the unit and must apply as a new applicant household for placement on the waiting list (subject to applicable income limits, preferences, resident selection, and screening requirements). 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. It is MHA's policy that transfers will be made without regard to race, color, national origin, sex, religion, or familial status. Residents can be transferred to accommodate a disability. [24 CFR § 100.5]
2. Residents will not be transferred to a dwelling unit of equal size within a site or between sites except to alleviate hardship of the resident or other undesirable conditions as determined by the Property Manager or designee.
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. The good cause standard applicable to new admissions shall apply to transfers.

B. Types of Transfers

1. This policy sets forth several categories of transfers. Priority for transfer and the order in which families are transferred shall be subject to the hierarchy by category set forth below.

- (a) Emergency Transfers are **mandatory** when the unit or building conditions poses an immediate threat to resident life, health or safety, as determined by MHA. Emergency transfers within sites or between sites may be made to: permit repair of unit defects hazardous to life, health, or safety; alleviate verified disability problems of a life threatening nature; remove a family with children under age 7 with elevated blood lead levels from a unit with lead paint hazards, or, based on a threat assessment by a law enforcement agency, protect members of the household from attack by the criminal element in a particular property or neighborhood or when a determination is made by the Authority based on the physical condition of the development that the development should be closed immediately.

These transfers shall take priority over new admissions.

- (b) Category 1 Administrative transfers include mandatory transfers to: remove residents who are witnesses to crimes and may face reprisals (as documented by a law enforcement agency); provide housing options to residents who are victims of hate crimes or extreme harassment; alleviate verified disability problems of a serious (but not lifethreatening) nature; permit modernization, vacancy consolidation or demolition of units; or permit a family that requires a unit with accessible features to occupy such a unit.

These transfers shall take priority over new admissions.

Requests for these transfers will be made to the manager. The Resident shall provide the 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).

- (c) Category 2 Administrative transfers are mandatory transfers within sites or between sites to correct serious occupancy standards problems (over or under the MHA's standards) as described below.

These transfers will take priority over new admissions.

Category 2 transfers to correct 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 that the household members over age 4 would equal more than two persons per bedroom. **These transfers are mandatory.**

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.

- (d) Category 3 Administrative transfers are mandatory transfers within sites or between sites may be made to: correct and avoid concentration of the most economically and socially deprived families; correct occupancy standards (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); or address situations such as neighbor disputes that are not criminal but interfere with the peaceful enjoyment of the unit or common areas.

These transfers will not take priority over new admissions. They will be processed at the rate of one transfer to four admissions.

- (e) Incentive Transfers: As described in detail below, Incentive Transfers are offered to new or recently modernized units, including townhouses, on a nondiscriminatory basis to residents with good rental histories.

These transfers take priority over new admissions, with transfers being processed at the rate of three transfers to each admission.

- (f) **Transitional Housing Transfers**: As described in detail below, **Transitional Housing Transfers** are offered to fill single family designated transitional housing units on new or recently modernized or revitalized developments or scattered sites, on a nondiscriminatory basis to residents with good rental histories.

These transfers take priority over new admissions.

2. 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 Occupancy Division. Managers are responsible for submitting requests for transfer including necessary documentation, to the Occupancy Specialist Manager.

2. Transfers will be sorted into their appropriate categories by the Occupancy staff. Admissions will be made in the following order:

- First: Emergency transfers, then
- Category 1 Administrative Transfers,
- Category 2 Administrative Transfers,
- Incentive Transfers,

- Applicants, and, at a rate of four applicants to every transfer,
- Category 3 Administrative Transfers

Within each category, transfer applications will be sorted by the date the completed file (including any verification needed) is received from the manager.

3. Category 2 transfers to correct occupancy standards may be recommended at time of reexamination or interim redetermination. This is the only method used to determine over/under housed status.

4. Residents in a Category 2 over/under housed status will be advised in their 30 day "Notice of Result of Reexamination" that a transfer is recommended and that the family has been placed on the transfer list. Interviewers will record transfer recommendations in duplicate for each manager affected by the transfer.

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. (Other than for births or adoptions that occur during tenancy, MHA's prior approval of additions to the household is required.)

6. Split-family transfers will be processed as Category 2 administrative transfers. 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. Options for split family transfers will be considered in order to minimize the impact on vacant units. Such transfers will be made in a manner that best benefits MHA.

7. Category 3 administrative transfers will be processed with new admissions using a ratio of 1 transfer for every 4 new admissions. This ratio is discretionary and will be reviewed at least annually to determine its effects on vacancy. Based on recommendations from staff, the Executive Director may authorize a change in this ratio or suspend the processing of this type of transfer.

D. Good Record Requirement for Transfers

1. In general, and in all cases of all 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:

- have not engaged in criminal activity that threatens the health and safety of residents and staff;
- do not owe back rent or other charges, or evidence a pattern of late payment;
- meet reasonable housekeeping standards and have no housekeeping lease violations; and
- 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 or when it is to MHA's advantage (e.g. a single person is living alone in a three bedroom unit and does not want to move) to move forward with the transfer. The determination to make an exception to the good record requirement will be made by the central transfer administrator taking into account the recommendation by the Manager.

Absent a determination of exception, the following policy applies to transfers:

- (a) 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.
- (b) 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 without regard to their race, color, national origin, religion, sex, disability or familial status, who have good rental histories and want to move to units other than those they currently occupy.

- (a) Incentive Transfers - MHA may occupy recently modernized and scattered site units through incentive transfers. Other than those approved in the NLIHC Settlement Agreement, one applicant shall be admitted directly to a scattered site units for every three transferees. Depending on MHA’s vacant unit status, modernized units will be filled with incentive transfers, new applicants, or a combination of both. MHA reserves the right to fill modernization units in a manner that has the least impact on vacant units.
- (b) Resident requests for incentive transfers should be made to their Housing Manager. Managers may also recommend a resident for an incentive transfer. For a resident to be considered for an incentive transfer, the following conditions must be met:
 - (i) Residency in a MHA development for least three years.
 - (ii) No more than two repayment agreements, or unpaid balances at any time in the past two (2) years.
 - (iii) 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.
 - (iv) No history of criminal activity or drug related criminal activity by resident, household members, or guests.
 - (iv) Good housekeeping record.

2. Incentive transfers are Category 2 administrative transfers.

3. No exceptions will be granted to the good record requirement for incentive transfers.

4. A Manager’s failure to process or recommend an Incentive Transfer is subject to the Grievance Procedure.

F. Transitional Housing Transfers

1. **Transitional Housing Transfers** are offered to residents without regard to their race, color, national origin, religion, sex, disability or familial status, who have a program goal of homeownership to be completed within 12 to 36 months, have good rental histories and want to move to the transitional Housing units.

- (a) **Transitional Housing Transfers** - MHA will occupy recently modernized, revitalized developments and scattered site designated “Single Family transitional housing units”

through transitional housing transfers. The units will be filled by transferees from current MHA developments.

- (b) Resident requests for **Transitional Housing Transfers** should be made to their Housing Manager. Managers may also recommend a resident for a **Transitional Housing Transfer**. For a resident to be considered for a **Transitional Housing Transfer**, the following conditions must be met:
- (1) Residency in a MHA development for least one year.
 - (2) 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.
 - (3) No history of criminal activity or drug related criminal activity by resident, household members, or guests.
 - (4) Good housekeeping record.
 - (5) Be a participant in good standing in a program aimed at self-sufficiency such as Memphis Housing Authority's Family Self-Sufficiency Program, a participant in the RISE Foundation Save UP, Individual Development Account (IDA) Initiative, or a similar program of upward mobility;
 - (6) Be a United States citizen 18 years of age or older;
 - (7) A current resident of Memphis Housing Authority.
 - (8) Employed full-time (minimum of 30 hours week) meeting all Self Reliance Agreement criteria;
 - (9) Can verify and show proof of full-time employment history (minimum of 30 hours per week) for a 12-month period preceding date of application. Meet all Self Reliance requirements.
 - (10) Must have the ability to repair any credit issues and be mortgage ready within a 36 month period or less.
 - (11) Pass housekeeping inspection and all ongoing housekeeping inspections.
 - (12) Attend Tenant Wise Training for Housekeeping, Counseling, and How to Be a Good Neighbor Classes, etc.
 - (13) Children enrolled in an "A" qualified day care/headstart program;
 - (14) Must have demonstrated good rental payment history with Memphis Housing Authority for a 12-months consecutive period;
 - (15) Have a minimum annual wage of \$11,000;
 - (16) Pass a criminal background check;
 - (17) Present, when applicable, a report of each child's attendance record of regular attendance in school.

2. **Transitional Housing Transfers** will take priority over admissions.

3. **Transitional Housing Transfers** will not exceed 36 months. A resident transferring into a Transitional Housing unit cannot occupy said unit for more than 36 months.
4. A Manager's failure to process a **Transitional Housing Transfers** is subject to the Grievance Procedure.

G. Cost of Transfers

1. Residents shall bear the cost of transfers to correct occupancy standards. 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 will be paid for or made by MHA. Residents shall be required to pay any maintenance charges resulting from resident damage or neglect at the unit from which they are transferring.

VI. Eligibility for Continued Occupancy, Annual Reexaminations, and Remaining Family Members

A. Eligibility for Continued Occupancy

Residents who meet the following criteria will be eligible for continued occupancy:

1. Qualify as a family as defined in Section XII of this policy. (Note: 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 the age of 18.)
2. Are in full compliance with the resident obligations and responsibilities as described in the dwelling lease.
3. Whose family members, age 6 and older, each have Social Security numbers or have certifications on file indicating they have no Social Security number.
5. Who meet HUD standards on citizenship or immigration status or are paying a prorated rent. [24 CFR § [5.500 et seq.](#)]
6. Who are in compliance with the MHA's 8 hour per month community service requirements (applicable to certain adults who are neither elderly, disabled, working nor participating in qualifying educational or job training programs).

B. Remaining Family Members and Prior Debt

1. As a party to the lease, remaining family members 18 years of age or older (other than the head or spouse) will be held responsible for arrearages 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 arrearage incurred prior to the remaining member attaining age 18.
2. Remaining family members under age 18 shall not be held responsible for the rent arrearages incurred by the former head of household.

C. Periodic Reexamination

1. Regular reexaminations: MHA shall, at least once a year, reexamine the incomes of all resident families other than those families paying Flat Rents whose incomes shall be reexamined every three years. Flat Rent payers must still report for review of unit size and Community service compliance. [24 CFR § [960.257](#)]
2. Special Reexaminations: When it is not possible to estimate projected family income with any degree of accuracy at the time of admission or regular reexamination, a temporary determination will be made with respect to income and a special reexamination will be scheduled every 60 days until a reasonably accurate estimate of income can be made. The resident will be notified in advance as to the date for the special reexamination(s). Special reexamination shall also 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.
3. New Reexamination Date Following Income Disregard: When a family begins participating in a job training program or working following a job training program and their income is disregarded in accordance with HUD requirements, the date for their next regular reexamination shall be permanently adjusted to be 12 months following the date that the income disregard began.

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. Persons claiming zero income will also be asked to complete a family expense form. This form will be the first form completed in the annual reexamination process. The form will ask residents to estimate how much they spend on: telephone, cable TV, food, clothing, transportation, health care, child care, debts, household items, etc. Residents will then be asked how they pay for these items.

5. Reexamination Procedures

- (a) At the time of reexamination, all adult members of the household will be required to sign an application for continued occupancy and other forms required by HUD.
- (b) Employment, income, allowances, Social Security numbers, and such other data as is deemed necessary will be verified, and all verified findings will be documented and filed in the resident's folder. A credit check will be run on each family at recertification to help detect any unreported income, family members not reported on the lease, etc..[24 CFR § 5.210 et seq.; 24 CFR § § 960.257 and 960.259]
- (c) 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.
- (d) Residents with a history of employment whose regular reexamination takes place at a time that they are not employed will have income anticipated based on their past and anticipated employment. Residents with seasonal or parttime employment of a cyclical nature will be asked for third party documentation of the circumstances of their employment including start and ending dates.
- (e) Income shall be computed in accordance with the definitions and procedures set forth in Federal regulations and this policy.[24 CFR Part 5, subpart B]
- (f) Families failing to respond to the initial reexamination appointment will be issued a final appointment within the same month. Failure to respond to the final request will result in the family being sent a notice of lease violation and referred to the Housing Manager for failure to comply with the terms and conditions of occupancy required by the lease. Failure to comply will result in termination of the lease.[24 CFR § 966.4 (c)(2)]

6. Action Following Reexamination

- (a) If there is any change in rent, the lease will be amended, or a new lease will be executed, or a Notice of Rent Adjustment will be issued.[24 CFR § 966.4 (c) & (o)]
- (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.[24 CFR § 966.4 (c)(3)]

D. Upfront Income Verification

The Memphis Housing Authority will use HUD's Upfront Income Verification (UIV) System to verify the income reported by applicants and current tenants. This online automated system compares tenant's income data obtained from the Public Housing Information Center (PIC) databases with wage information from the State Wage Information Collection Agencies (SWICAs); Social Security and Supplemental Security Income from the Social Security Administration; and user profile information from the PIC database.

UIV data will only be used to verify a tenant's initial or continuing eligibility for participation in a HUD rental assistance program. When discrepancies are identified, MHA staff will inform applicants and current tenants of their appeal rights, maintain all UIV data as confidential, and use Third Party Verification procedures.

UIV data will not be used for any adverse actions such as eviction, repayment agreements, referrals or participant to the Office of Inspector General, etc. If fraud is suspected, MHA staff will independently verify the UIV information using the five (5) levels of Third-Party Verification mandated by HUD's Verification Guidance dated March 9, 2004.

Third party verification is defined as an independent verification of income and/or expenses by contacting the individual income/expense source(s) supplied by the applicant family. The verification documents must be supplied directly to the independent source by MHA and returned directly to MHA from the independent source. **The tenant shall not hand carry documents to or from the independent source.** MHA will use mail, fax, or e-mail to send and/or receive verification from the source(s). MHA staff will use the following five levels of Third Party Verification for gross wages and salaries; unemployment compensation; welfare benefits; social security benefits (Social Security & Supplemental Security Income); and other income types (i.e., child support, pensions, etc.) **in the order listed:**

1. Upfront Income Verification
2. Written Third Party Verification
3. Oral Third Party Verification
4. Document Review
5. Tenant Certification

All related documents must be dated **within the last 60 days** of the interview, and MHA staff will make photocopies of original document(s) and place a copy in the tenant's file. MHA staff will document the reasons for not using the higher levels of Third Party verification in the tenant's file anytime the higher level of verification cannot be used.

VII. Interim Rent Adjustments: Fixed Rent System

A. Rent Adjustments

1. Residents are required to report all changes in family composition or status to the housing manager 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. **Residents are also required to report interim increases in income if they have been granted interim rent reductions.**

2. MHA wishes to encourage families to improve their economic circumstances, so most changes in family income between reexaminations will not result in a rent change. MHA will process interim changes in rent in accordance with the chart below:

<u>INCOME CHANGE</u>	<u>MHA ACTION</u>
(a) Decrease in income for any reason, <u>except</u> for decrease that lasts less than 30 days ²⁰ . Increase in income following MHA granting of interim rent decrease.	• MHA will process an interim reduction in rent if the income decrease will last more than 30 days. MHA will process an interim increase for income increases that follow interim rent reductions.
(b) Increase in earned income from the employment of a current household member.	• MHA will defer the increase to the next regular reexamination.
(c) Increase in unearned income (e.g. COLA adjustment for social security).	• MHA will defer the increase to the next regular reexamination.
(d) Increase in income because a person with income (from any source) joins the household.	• MHA will defer the increase to the next regular reexamination.

(e) MHA will process an interim increase in rent if it is found that the resident at an annual or interim reexamination has misrepresented the facts upon which the rent is based so that the rent the Resident is paying is less than the rent that he/she should have been charged. MHA will apply any increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.

3. Complete verification of the circumstances applicable to rent adjustments must be documented and approved by the Executive Director or his/her designee. [24 CFR § [960.257](#) and 24 CFR Part 5, subpart F]

4. MHA will process interim adjustments in rent in accordance with the following policy:

- (a) When a decrease in income is reported, and the Authority receives confirmation that the decrease will last less than 30 days, an interim adjustment will not be processed.
- (b) Residents reporting decreases in income that are expected to last more than 30 days will have an interim adjustment processed.

²⁰ Decreases in income verified to be a result of welfare fraud or TANF cuts for failure to comply with a required economic self sufficiency program are not eligible for rent reductions.

5. Residents granted a reduction in rent under these provisions will be required to report for special reexaminations at intervals determined by the Housing Manager. Reporting is required until the circumstances cease or until it is time for the next regularly scheduled reexamination, whichever occurs first. If family income increases during this time, the rent will be increased accordingly. A fully documented record of the circumstances and decisions shall be included in the resident's folder.

B. Effective Date of Adjustments

Residents will be notified in writing of any rent adjustment and such notice will state the effective date of the adjustment.

1. Rent decreases go into effect the first of the month following the reported change. Income decreases reported and verified before the tenant accounting cutoff date will be effective the first of the following month. Income decreases reported or verified after the tenant accounting cutoff date will be effective the first of the second month with a credit retroactive to the first month.

2. Rent increases (except those due to misrepresentation) require 30 days notice and become effective the first of the second month.

C. Failure to Report Accurate Information

If it is found the resident has misrepresented or failed to report to Management the facts upon which higher rent is based so that the rent being paid is less than what should have been charged, then the increase in rent will be made retroactive. Failure to report accurate information is also grounds for initiating eviction proceedings in accordance with MHA's dwelling lease. [24 CFR § 966.4 (c)(2)]

VIII. Lease Termination Procedures

A. General Policy: Lease Termination

It is MHA's policy that no resident's lease shall be terminated except in compliance with applicable HUD regulations [24 CFR § 966.4 (I)] and the lease terms.

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. 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. [\[24 CFR § 966.4\(l\)\(3\)\(ii\)\]](#)

Certain actions receive an expedited Grievance Procedure, specifically: any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or MHA employees; and any drug-related criminal activity. [\[24 CFR § 966.55\(g\)\]](#)

2. Notices of lease termination may be served personally and posted on the apartment door.

3. The 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

A written record of every termination and/or eviction shall be maintained by MHA, and shall contain the following information:

- Name of resident, race and ethnicity, number and identification of unit occupied;
- 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;
- 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;
- Date and method of notifying resident; and
- Summaries of any conferences held with resident including dates, names of conference participants and conclusions.

IX. Utilities

In some of MHA's developments, residents may pay the cost of certain utilities directly to the supplier of utilities. When this is the case, resident rents are reduced by an Allowance for Utilities that is developed by MHA in consultation with an energy consultant and the utility supplier and reviewed by HUD. Utility allowances are not granted to residents paying a Flat rent. [24 CFR § 965 & 966.4 (b)(2)]

A. Resident-Paid Utilities

The following requirements apply to residents living in or applicants being admitted to developments with resident-paid utilities:

1. In developments with resident-paid utilities, each resident will receive a monthly utility allowance that reflects a reasonable amount of utilities for the specific size and type of unit occupied.
2. When a resident's Total Tenant Payment (income-based rent) 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 utility company on the resident's behalf. The resident will be informed of the amount of the utility reimbursement paid on his/her behalf.
3. When the supplier of utilities offers a "Budget" or level payment plan, it shall be suggested to the resident to pay his/her bills according to this plan. This protects the resident from large seasonal fluctuations in utility bills and ensures adequate heat in the winter.
4. 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.
5. 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.
6. Paying the utility bill is the resident's obligation under the Authority's lease. Failure to pay utilities is grounds for eviction.

B. Excess Utility Charges

1. Check-metered developments or buildings: In buildings that are check metered, residents shall have consumption-based utility allowances established that reflect the size and type of units and the actual equipment provided by the MHA. Quarterly the check meters shall be read by the MHA and each tenant charged for any consumption in excess of the utility allowance.
2. Residents with disabilities may be entitled to higher than normal utility allowances or may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability.

X. Flat Rents

A. Flat Rents

Flat rents are required by the Quality Housing and Work Responsibility Act of 1998. [\[See 24 CFR § 960.253\]](#) Unlike Ceiling rents, which may be developed using several approaches and may not be less than the average cost to operate a unit, Flat Rents are marketbased rents. Accordingly, they will vary by unit size and type and also by development location. All residents will be offered the choice of paying an income based rent or the Flat rent.

B. Recertification of Families on Flat Rents

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 are met.

C. Establishing Flat Rents

Flat rents represent the actual market value of MHA's housing units. Accordingly, MHA will take the following information into account in developing its Flat rent Schedule:

- Rents of non-assisted rental units in the immediate neighborhood
- Rents of non-assisted rental units in the immediate neighborhood
- Size of MHA's units compared to non-assisted rental units from the neighborhood
- Age, type of unit and condition of MHA's units compared to non-assisted rental units from the neighborhood
- Land use in the surrounding neighborhood
- Amenities (childcare, laundry facilities, playgrounds, community rooms, social services, education/job training programs, etc.) at MHA's properties and in the surrounding neighborhood
- Crime in MHA's developments and the surrounding neighborhood
- Quality of local schools serving each MHA development
- Availability of public transportation at each MHA development
- Availability of accessible units for persons with mobility impairments.

D. Annual Update of Flat Rents

Federal rules require MHA to review their Flat Rent structure annually and adjust the rents as needed. Factors such as improvement or decline in the MHA property or the surrounding neighborhood would affect MHA's flat rents at selected developments.

E. Flat Rent Schedule

Property		0	1	2	3	4	5	6
		Bd/Rm	Bd/Rm	Bd/Rm	Bd/Rm	Bd/Rm	Bd/Rm	Bd/Rm
Alabama Plaza (1-45)			400	520	575	705		
Barry Homes (1-13)		434	483	518				
Borda Towers (1-23)		434	483	518				
Cleaborn Single-Family (1-8)				508	552	580		
Cleaborn Homes (1-8)			346	508	552	580	609	
College Park Family I (1-44)			534	627	871	914		
College Park Family II (1-46)			534	627	871	914		
College Park Senior (1-43)			534	627				
Dixie Homes (1-5)			519	574	647			
Dixie Homes (1-9)		416	519	574	647			
Foote Homes (1-2)			346	508	552			
Graves Manor (1-15)			344	454	561	638	733	
Greenlaw Place Apts (1-48)			693	1067	1645			
Jefferson Square (1-18)		434	483	518				
Montgomery Plaza (1-21)			339	453	559	697	801	906
Parkway Commons (1-)			534	624	872			
Richmond Place (1-)			534	589	673			
Scattered Sites (1-)			520	963	1147	1319		
Texas Courts (1-33)			399	453	535	584		
Uptown Square Apts (1-47)			693	1067	1645			
Uptown Village Apts (1-)			693	1067	1645			
Venson Center (1-14)		434	483	518				

[ACOP Rev. 03/05 by Resolution No.](#)

XI. Self-Sufficiency Policy

A. Self-Sufficiency

It is the policy of Memphis Housing Authority to encourage and support all of its residents in the goal of becoming self-sufficient. In instances where tenant assistance is needed to obtain this goal, the MHA Human Services Department will develop appropriate programs and conduct other measures to assist the tenant to ensure that his/her actions are consistent with and supportive of achieving the goal of becoming self-sufficient.

Memphis Housing Authority will require that all adult residents participate in the seamless service delivery case management program which may include the execution of a Self Reliance Agreement addendum to the Lease.

B. Self-Sufficiency Mixed Finance and Hope VI Developments

Public housing authorities are permitted to create an admissions preference for working families and pursuant to 24 CFR § 960.206(b)(2) and in accordance with current guidelines governing the HOPE VI Redevelopment Program, housing authorities are authorized to establish policies and requirements which promote resident self-reliance at redeveloped sites. Memphis Housing Authority ("MHA") has established preferences for public housing units developed under the Mixed Finance and HOPE VI Program. The MHA is requiring each applicant to these new units to sign a Self-Reliance Agreement Addendum to the Lease.

XII. Definitions and Procedures to be used in Determining Income and Rent

A. Annual Income (24 CFR 5.609)

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, nonrecurring, or sporadic as defined below, or is specifically excluded from income by other federal statute. Annual income includes but is not limited to:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
2. The net income from operation of a business or profession, 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;
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. 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;

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;

4. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts [See B. 14. below for treatment of delayed or deferred periodic payment of social security or supplemental security income benefits.];
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (But see paragraph B. 3. below concerning treatment of lump sum additions as Family assets.);
6. All welfare assistance payments (Temporary Assistance to Needy Families, General Assistance) received by or on behalf of any family member;
7. Periodic and determinable allowances, such as alimony and child support payments, and regular cash contributions or gifts received from agencies or persons not residing in the dwelling made to or on behalf of family members; and
8. All regular pay, special pay, and allowances of a family member in the Armed Forces. (See paragraph B. 7. below concerning pay for exposure to hostile fire.)

B. Items not included in Annual Income [24 CFR § 5.609(c)]

Annual Income does not include the following:

1. Income from the employment of children (including foster children) under the age of 18 years;
2. 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);
3. Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance, and worker's compensation), capital gains, onetime 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.]

4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
5. Income of a live-in aide provided the person meets the definition of a live-in aide (See Section 12 of these policies);
6. The full amount of student financial assistance paid directly to the student or the educational institution;
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
8. Certain amounts received that are related to participation in the following programs:
 - (a) Amounts received under HUD funded training programs (e.g. Stepup program: excludes stipends, wages, transportation payments, child care vouchers, etc. for the duration of the training);
 - (b) 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);
 - (c) 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;
 - (d) 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
 - (e) Incremental earnings and/or benefits resulting to any family member from participation in qualifying state or 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;
9. Temporary, non-recurring, or sporadic income (including gifts);

10. 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;
11. Earnings in excess of \$480 for each fulltime student 18 years old or older (excluding the head of the household and spouse);
12. Adoption assistance payments in excess of \$480 per adopted child;
- [13.](#) Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment;
- [14.](#) 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;
- [15.](#) 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;
- [16.](#) 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.)

The following is a list of benefits excluded by other Federal Statute:

- The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977 [7 USC 2017 (h)];
- Payments to volunteers under the Domestic Volunteer Service Act of 1973[42 USC 5044 (g), 5088];

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 States 2503-04];

- The first \$2000 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.
 - Payments received from programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)]:
 - 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.
 - 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;
 - Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, 94 Stat. 1785);
 - 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);
 - Earned income tax credit refund payments received on or after January 1, 1991 (26 USC 32 (j)).
17. The incremental earnings to an adult resident due to employment in the following circumstances:
- (a) The resident experiences an increase in income due to employment after the resident was unemployed for a year or more;
 - (b) The resident experiences an increase in income due to employment while the resident is engaged in a qualifying training program to achieve economic self sufficiency.
 - (c) The resident experiences an increase in income due to employment when the resident had, within the previous six months received income, benefits or services from the welfare agency worth at least \$500.

In these circumstances the resident will be eligible for a 12 month exclusion of the incremental increase in income followed by a 12 month exclusion of one half of the incremental increase in income. If the resident moves in and out of employment, the maximum period during which both the full and half exclusion will apply shall not exceed 48 months.

C. Anticipating Annual Income [24 CFR § 5.609 (d)]

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 [24 CFR § 5.611]

Adjusted Income (the income upon which rent is based) means Annual Income less the following deductions and exemptions:

For All Families

1. **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.

2. **Dependent Deduction** — An exemption of \$480 for each member of the family residing in the household (other than the head of household, or spouse, Livein Aide, foster adult or foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, handicapped, or a full-time student.

3. **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.

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.

- a. For non-elderly families and elderly families without medical expenses: the amount of the deduction equals the cost of all unreimbursed expenses for workrelated disability expense less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.
- b. For elderly 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.

For elderly and disabled families only:

4. **Medical Expense Deduction** — A deduction of unreimbursed Medical Expenses, including insurance premiums, anticipated for the period for which Annual Income is computed.

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.

- a. For elderly families without handicapped expenses: The amount of the deduction shall equal total medical expenses less three percent of annual income.
- b. For elderly families with both handicapped and medical expenses: the amount of the deduction is calculated as described in paragraph 3 (b) above.

5. Elderly/Disabled Household Exemption— An exemption of \$400 per household. See Definitions in the next section.

6. Optional Deductions/Exemptions: MHA may choose to amend this policy and grant further exemptions or deductions to families with members who are employed. Any such exemption or deduction would require an amendment of this policy and would be noted here.

E. Rent Computation: Income-based Rent [\[24 CFR § 5.628\]](#)

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 directly to the utility company by the MHA.

2. Total Tenant Payment is the highest of:

- **30% of adjusted monthly income;** or
- **10% of monthly income;** but never less than the
- **Minimum Rent**

7. 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.

8. The Minimum Rent shall be \$25 per month, but a hardship exemption shall be granted to residents who can document that they are unable to pay the \$25 because of a longterm hardship (over 90 days). Examples under which residents would qualify for the hardship exemption to the minimum rent would include but not be limited to the following:

- The family has lost eligibility for or is applying for an eligibility determination for a Federal, State or local assistance program;
- The family would be evicted as result of the imposition of the minimum rent requirements;
- The income of the family has decreased because of changed circumstances, including loss of employment;
- A death in the family has occurred; or

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.

F. Flat Rents

Flat rents, based on actual market value of units, taking into account unit size, location, age, condition and amenities, will be offered to each resident at initial certification and recertification and each family will make a choice between the income-based rent and the flat rent.

XIII. Applicability of Admissions and Continued Occupancy Policy

The ACOP shall apply to all public housing units receiving funds from the Department Housing & Urban Development (HUD) pursuant to an ACC and managed by Memphis Housing Authority (MHA) or an Agent of MHA or “managed by a private management agent undercontract with the development’s owner, if the owner is not MHA.”

XIV. Definitions of Terms Used in This Statement of Policies

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 handicaps. 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 & § 8.40 [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 handicaps. [24 CFR § 8.3]

3. Accessible Route - For persons with mobility impairment, a continuous unobstructed path that complies with space and reaches 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]

4. Adaptability - Ability to change certain elements in a dwelling unit to accommodate the needs of handicapped and non-handicapped persons; or ability to meet the needs of persons with different types & degrees of disability. [24 CFR § 8.3]

5. 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)]

6. Applicant - a person or a family that has applied for admission to housing.

7. Area of Operation - The jurisdiction of the MHA as described in applicable State law and the MHA’s Articles of Incorporation is the City of Memphis.

8. 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)

9. 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)

10. Care attendant - a person that regularly visits the unit of a MHA 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 MHA must demonstrate separate residence) and do not live in the public housing unit. Care attendants have no rights of tenancy.

11. Co-head of household - a household where two persons are held responsible and accountable for the family.

12. Dependent - A member of the household, other than head, spouse, sole member, foster child, or Live in Aide, who is under 18 years of age, or 18 years of age or older and disabled, handicapped, or a fulltime student. [24 CFR § 5.603]

13. Designated Family - means the category of family for whom MHA elects (subject to HUD approval) to designate a project (e.g. elderly family in a project designated for elderly families [24 CFR Part 945]

14. Designated housing (or designated project) - a project(s), or portion of a project(s) designated for elderly only or for disabled families. [24 CFR Part 945]

15. 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]

16. 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 Federal preference for involuntary displacement. [42 USC 1437a(b)(3)]

17. Displacement Preference – An admission preference awarded to applicants who can document displacement from current housing because:

- Their current dwelling is destroyed or extensively damaged by a natural disaster declared by the President;
- Their current dwelling cannot continue to be occupied because of Governmental Action;
- The family is subject to domestic violence in their current housing.

18. 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.)

19. 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]

20. Elderly Person - A person who is at least 62 years of age. [42 USC 1437a(b)(3)]

21. Extremely Low Income Family – A Family whose Annual Income is equal to or less than 30% of Area Median Income, as published by HUD.

22. Family - 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 MHA housing; **OR** 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 MHA housing.

The term family also includes: Elderly family (Definition #18), Near elderly family (Definition #32) disabled family (Definition #15), displaced person (Definition #16), single person (Definition #41), the remaining member of a tenant family, a foster care arrangement, or a kinship care arrangement (Definition #25). Other persons, including members temporarily absent (e.g. a child temporarily placed in foster care or a student temporarily away at college), may be considered a part of the applicant family's household if they are living or will live regularly with the family. (24 CFR §§ 5.403 and 5.603)

Live-in Aides (Definition #26) 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.

23. Full-Time Student - A person who is carrying a subject load that is considered fulltime 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].

24. Head of the Household - Head of the household means the family member (identified by the family) who is held responsible and accountable for the family.

25. Individual with Handicaps, Section 504 definition [24 CFR § 8.3] -

Section 504 definitions of Individual with Handicaps and Qualified Individual with handicaps 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". Individual with handicaps means any person who has:

- (a) A physical or mental impairment that:
 - substantially limits one or more major life activities;
 - has a record of such an impairment;
 - or is regarded as having such an impairment.
- (b) 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.

(c) Definitional elements:

“physical or mental impairment” means any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: Neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and [lymphatic](#); skin; and endocrine; or

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.

“Major life activities” means functions such as caring for one’s self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

“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.

“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

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

Has none of the impairments defined in this section but is treated by recipient as having such an impairment.

NOTE: A person would be covered under the first item if MHA 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 MHA’s housing program because of myths, fears, and stereotypes associated with the disability or perceived disability.

(d) The 504 definition of handicap does not include homosexuality, bisexuality, or transvestitism. Note: These characteristics do not disqualify an otherwise disabled applicant/resident from being covered.

The 504 definition of individual with handicaps 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.

26. 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)

27. 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 MHA 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).

MHA policy on Live-in Aides stipulates that:

- (a) Before a Live-in Aide may be moved into a unit, 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;
- (b) 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);
- (c) Live-in Aides have no right to the unit as a remaining member of a resident family;
- (d) 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.
- (e) A Live-in Aide is a single person.
- (f) A Live-in Aide will be required to meet MHA's screening requirements with respect to past behavior especially:

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;

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.

28. Low-Income Family - A family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller and larger families(42 USC 1437a(b)).

29. 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).

30. 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".

31. Mixed Population Project - means a public housing project for elderly and disabled families. The MHA is not required to designate this type of project under the Extension Act (PIH Notice 97-12)

32. Multifamily housing project - For purposes of Section 504, means a project containing five or more dwelling units. (24 CFR § 8.3)

33. Near-elderly family - means a family whose head, spouse, or sole member is a nearelderly 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 nearelderly. (24 CFR § 5.403)

34. 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))

35. 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 KEOB 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)

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.

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.

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.

36. Newly acquired developments– Any development acquired by the Authority after January 1, 2004.

37. Person with disabilities²¹ (42 USC 1437a(b)(3)) means a person²² who —

- (a) Has a disability as defined in Section 223 of the Social Security Act(42 USC 423); or,
- (b) Has a physical, emotional or mental 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,

²¹ 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)]

²² A person with disabilities may be a child.

- (c) Has a developmental disability as defined in Section 102 (5) (b) of the Developmental Disabilities Assistance and Bill of Rights Act[42 USC [15002](#)].

38. 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)

39. 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]

40. Qualified Individual with handicaps, Section 504 - means an individual with handicaps 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 MHA 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 occupancy with or without supportive services provided by persons other than the MHA.
- (b) For example, a chronically mentally ill person whose particular condition poses a significant risk of substantial interference with the safety or enjoyment of others or with his or her own health or safety in the absence of necessary supportive services may be "qualified" for occupancy in a project where such supportive services are provided by the MHA as a part of the assisted program. The person may not be 'qualified' for a project lacking such services. [24 CFR § 8.3]

41. 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.

42. Spouse - Spouse means the husband or wife of the head of the household.

43. Self-Reliance Agreement (SRA)- It is a written agreement between property management and the public housing resident identifying the self-reliance criteria a public housing resident must meet in order to occupy and continue to live in a public housing unit

44. Tenant Rent - The amount payable monthly by the Family as rent to MHA. 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 MHA 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 [and 966.4\(b\)](#)).

45. Total Tenant Payment (TTP) - The TTP is calculated using the following formula:

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. See the definition for Tenant Rent.

46. Uniform Federal Accessibility Standards - Standards for the design, construction, and alteration of publicly owned residential structures to insure that physically handicapped persons will have ready access to and use of such structures. [See 24 CFR Part 40. See cross reference to UFAS in 504 regulations, 24 CFR § 8.32 \(a\).](#)

47. 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

48. Upward Mobility Preference: An admissions preference granted when:

(a) A family can verify employment of an adult member:

(i) Employment at the time of the offer— To receive this preference the applicant family must have at least one family member, age 18 or older, employed at the time of MHA's offer of housing. Employment at the time of the offer must be for the 90 day period immediately prior to the offer of housing and provide a minimum of 20 hours of work per week for the family member claiming the preference.

(ii) Employment periods may be interrupted, but to claim the preference, a family must have an employed family member prior to the actual offer of housing as described above.

(iii) A family member that leaves a job will be asked to document the reasons for the termination. Someone who quits work after receiving benefit of the preference (as opposed to layoff, or taking a new job) will be considered to have misrepresented the facts to MHA and will have their assistance terminated.

(iv) The amount earned shall not be a factor in granting this local preference. This local preference shall also be available to a family if the head, spouse, or sole member is 62 or older, or is receiving social security disability, or SSI disability benefits, or any other payments based on the individual's inability to work.

(b) A family can verify participation in a job training program or graduation from such a program. This includes programs of job training, skills training or education accepted or mandated by the Temporary Assistance to Needy Families program

The family must notify MHA if it enters such a program while on the waiting list and provide documentation of participation to MHA. MHA will not grant this preference if the family fails to provide notice. Notice and verification of the preference claim must be received prior to the offer of housing. To claim this preference applicants must be in good standing with respect to attendance and program rules.

49. 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 . Since families choosing Flat rents do not receive utility allowances, they also do not receive utility reimbursements.

50. 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\(b\)\]](#).

Component 3,(6) Deconcentration and Income Mixing

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

If yes, list these developments as follows:

Deconcentration Policy for Covered Developments

Development Name	Number of Units	Explanation (if any) [see step 4 at 903.2(c)(1)(iv)(d)]	Deconcentration Policy (if no explanation) [see step 5 at 903.2 (c)
Cleaborn TN 1-8	466	Under 85% - Partially demolished to make site more attractive for higher income clients	
Dixie TN 1-5, 1-9	600	Under 85% - Has acquired relocating tenants with low incomes due to demolitions and revitalization efforts at other sites	
Foote TN 1-2	420	Over 115% average income, but is below 30% of area median	

RESOLUTION NO. 3373

RESOLUTION APPROVING MHA'S DEVELOPMENT OF A PROPOSED HOUSING DECONCENTRATION POLICY AND ANY NECESSARY CHANGES IN THE AUTHORITY'S ADMISSION POLICY TO IMPLEMENT AND PROMOTE DECONCENTRATION OF PROPERTY.

WHEREAS, the Memphis Housing Authority is governed by the rules and regulations of the Department of Housing and Urban Development; and

WHEREAS, HUD has required all public housing authority's to develop a policy for implementing the public housing deconcentration policy; and

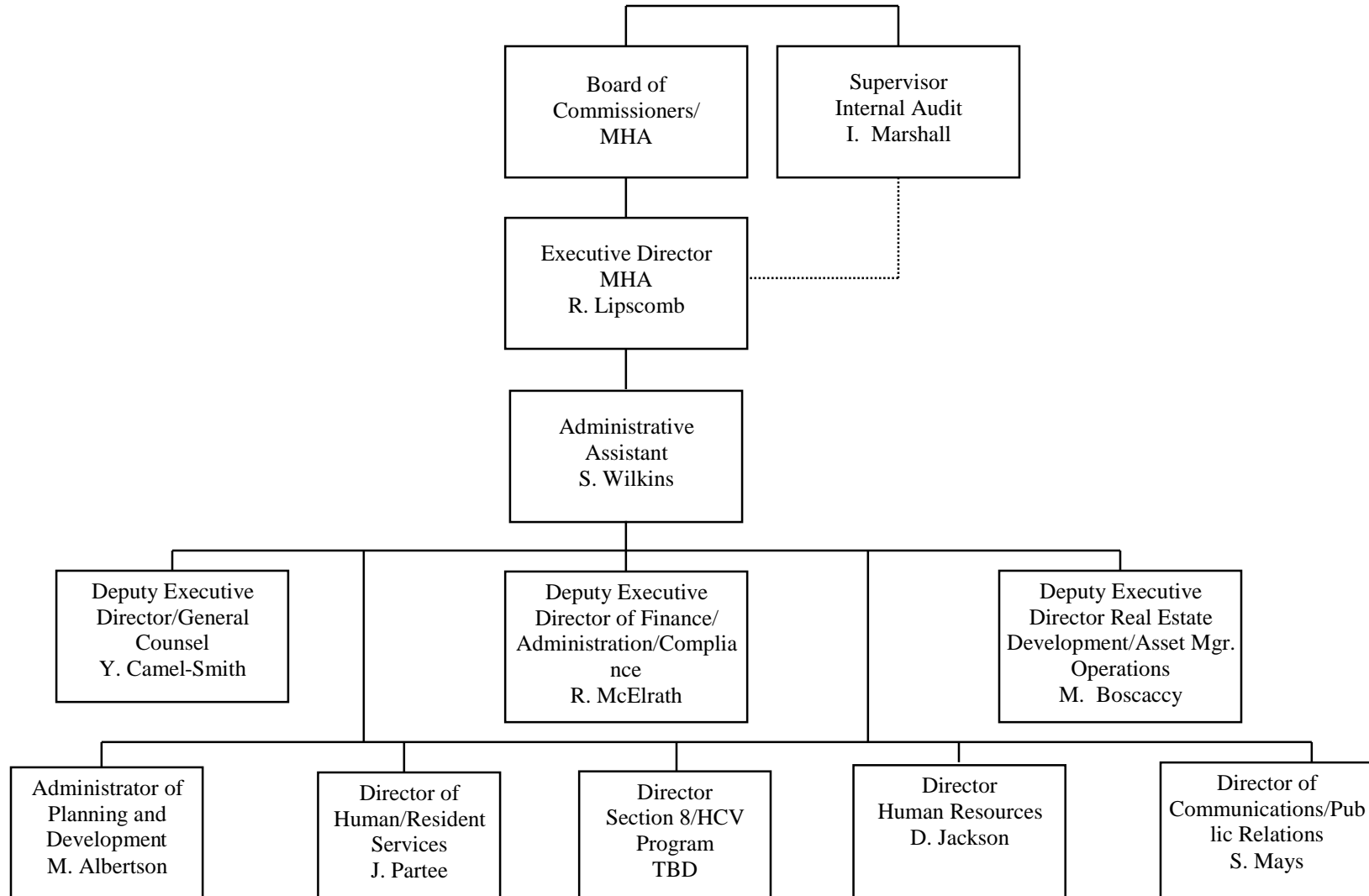
WHEREAS, the staff has proposed that the following measures be utilized to achieve the deconcentration of poverty in public housing:

- 1. The authority has established and implemented a work preference in an effort to house working families.**
- 2. The authority will include in its ACOP and agency plan the establishment of flat and ceiling rents in an effort to attract higher income families.**
- 3. The authority will explore efforts to demolish and renovate obsolete units at some of its scattered sites with the possibility of using vouchers or certificates or even establishing a home ownership program to attract higher income families**
- 4. The authority will dedensify its developments to make them safer and more marketable which will help in our efforts of deconcentration.**

WHEREAS, the Memphis Housing Authority staff will make all necessary changes in the Authority's admission policy to promote deconcentration of poverty in public housing.

NOW, THEREFORE, BE IT RESOLVED by the Memphis Housing Authority Board of Commissioners hereby approves the development of a deconcentration policy and changes in the Authority's Admission policy to implement and promote said policy.

**MEMPHIS HOUSING AUTHORITY
ORGANIZATIONAL CHART
MHA Executive Staff**



CAPITAL FUND PROGRAM TABLES START HERE

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Replacement Housing Factor (CFP/RHF) Part I: Summary					
PHA Name: Memphis Housing Authority		Grant Type and Number Capital Fund Program Grant No: TN 43P001501-05 Replacement Housing Factor Grant No: TN 43R001501-05		Federal FY of Grant: 2005	
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	1,119,276.00			
3	1408 Management Improvements	1,650,000.00			
4	1410 Administration	776,184.00			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	266,590.00			
8	1440 Site Acquisition	20,000.00			
9	1450 Site Improvement	25,000.00			
10	1460 Dwelling Structures	475,000.00			
11	1465.1 Dwelling Equipment—Nonexpendable	562,382.00			
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment	5,000.00			
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs	100,000.00			
18	1499 Development Activities				
19	1501 Debt Service	5,376,398.00 (incl. RHF)			

**Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Replacement Housing Factor (CFP/RHF) Part I: Summary**

PHA Name: Memphis Housing Authority		Grant Type and Number Capital Fund Program Grant No: TN 43P001501-05 Replacement Housing Factor Grant No: TN 43R001501-05		Federal FY of Grant: 2005	
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	10,375,830.00			
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 Conservation Measures				

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

PHA Name: Memphis Housing Authority		Grant Type and Number Capital Fund Program Grant No: TN 43P001501-05 Replacement Housing Factor Grant No: TN 43R001501-05			Federal FY of Grant: 2005			
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	
AW	Operations	1406		1,119,276.00				
AW	Staff Training	1408		50,000.00				
AW	Resident Training	1408		50,000.00				
AW	Security Salary/Fringes	1408		950,000.00				
AW	Information Technology Enhancements	1408		600,000.00				
AW	Security-Uniforms	1475		5,000.00				
AW	Administration	1410		746,184.00				
AW	CI Sundry Expenses	1410		30,000.00				
AW	A & E Fees & Costs	1430		266,590.00				
AW	Real Estate Appraisals	1440		20,000.00				

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

PHA Name: Memphis Housing Authority		Grant Type and Number Capital Fund Program Grant No: TN 43P001501-05 Replacement Housing Factor Grant No: TN 43R001501-05				Federal FY of Grant: 2005		
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	
TN 1-8 Cleaborn Homes	Unit Modernization & Repairs	1460		475,000.00				
TN 1-33 Texas Courts	Temporary Fencing	1450		25,000.00				
AW	Security Cameras (HI-Rises)	1465		562,382.00				
AW	Relocation	1495		100,000.00				
AW	Debt Service	1502		5,376,398.00 (incl. RHF)				

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

PHA Name: Memphis Housing Authority		Grant Type and Number Capital Fund Program No: TN43P001501-05 Replacement Housing Factor No: TN43R001501-05					Federal FY of Grant: 2005	
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		
TN 1-08 Cleaborn Homes	Sept-07			Sept-09				
TN 1-33 Texas Courts	Sept-07			Sept-09				

Capital Fund Program Five-Year Action Plan

Part I : Summary

PHA Name: Memphis Housing Authority				Original 5-Year Plan Revision No:
Development member/Name/HA-Wi	Year 1	Work Statement for Year 2 FFY Grant: 2006 PHA FY:	Work Statement for Year 3 FFY Grant: 2007 PHA FY:	Work Statement for Year 4 FFY Grant: 2008 PHA FY:
	Annual Statement			
TN 1-2 Foote Homes				
TN 1-5 Dixie Homes		10,000.00		
TN 1-8 Cleaborn Homes		855,795.00		
TN 1-14 Venson Center			1,166,591.00	3,268,248.00
TN 1-23 Borda Towers				
TN 1-51 CSFH		1,556,269.00	808,566.00	
CFP Funds Listed for 5 Year Planning		7,461,839.00	7,461,839.00	7,461,839.00

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

Activities for Year 1	Activities for Year : <u>2</u> ____ FFY Grant: 2006 PHA FY:			Activities for Year : _____ FFY Grant: _____ PHA FY: _____	
	Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories
See	TN 1-5 Dixie Homes	Temporary Fencing	10,000.00	TN 1-14 Venson Center	Unit Modernization Repairs
Statement	TN 1-8 Cleaborn	Nondwelling Construction (Laundry)	855,795.00	TN 1-51 CSFH	New Construction
	TN 1-51 CSFH	New Construction	1,556,269.00	AW	Operations
	AW	Operations	746,184.00	AW	Staff Training
	AW	Staff Training	50,000.00	AW	Resident Training
	AW	Resident Training	50,000.00	AW	Security Salaries
	AW	Computer Software	25,000.00	AW	Security Uniforms
	AW	Security Uniforms	5,000.00	AW	Administration
	AW	Administration	746,184.00	AW	CI Sundry Expenses
	AW	Computer Hardware	25,000.00	AW	A&E Fees
	AW	CI Sundry Expenses	30,000.00	AW	Real Estate Appraisals
	AW	A & E Fees & Costs	500,000.00	AW	Relocation
	AW	Relocation	400,000.00	AW	Debt Services (incl. RHF)
	AW	Debt Services (incl. RHF)	5,376,398.00		

Part II: Supporting Pages—Work Activities

Activities for Year : <u>4</u> FFY Grant: 2008 PHA FY:			Activities for Year: <u>5</u> FFY Grant: 2009 PHA FY:		
Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	
TN 1-14 Venson Center	Unit Modernization & Repairs	3,268,248.00	TN 1-2 Foote Homes	NonDwelling Construction (Laundry)	
AW	Staff Training	50,000.00	TN 1-8 Cleaborn Homes	NonDwelling Construction (Laundry)	
AW	Resident Training	50,000.00	TN 1-14 Venson Center	Unit Modernization & Repairs	
AW	Computer Software	25,000.00	TN 1-23 Borda Towers	Unit Modernization & Repairs	
AW	Security-Uniforms	5,000.00	AW	Staff Training	
AW	Computer Hardware	25,000.00	AW	Resident Training	
AW	Administration	746,184.00	AW	Security Salaries	
AW	CI Sundry Expenses	30,000.00	AW	Administration	
AW	A&E Fees	500,000.00	AW	CI Sundry Expenses	
AW	Relocation	300,000.00	AW	Security Uniforms	
AW	Debt Service (incl. RHF)	5,376,398.00	AW	A&E Fees	
			AW	Real Estate Appraisals	
			AW	Relocation	
			AW	Debt Service (incl. RHF)	

MEMPHIS HOUSING AUTHORITY

PET POLICY

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Memphis Housing Authority
Pet Policy

Purpose: The purpose of the pet policy of Memphis Housing Authority is to ensure that those residents who desire pets are responsible pet owners and that those residents who do not desire pets are not inconvenienced by pets on the premises. It also is intended to ensure that pets on premises are properly cared for. Further goals of this policy are to ensure a decent, safe and sanitary living environment for existing and prospective tenants and to protect and preserve the physical condition of the premises and financial interest of the Authority. Pets may not leave the owner's apartment except where noted. Such pets will not be allowed to roam either in the Authority's building or on the grounds.

Owning a pet within the Authority's properties is a privilege that must not be abused.

I. Implementation and Grand-Fathering of Pets

All pets currently owned by the senior citizen/handicapped resident of the Authority in accordance with P.L. 1990, C. 55 and 24 CFR 924 and who have been issued pet permits by the Authority already are hereby grand fathered and will be issued a new pet permit provided that the owners meet the requirements of the pet permit as described below. (See Schedule B Pet Permit)

II. Security Deposit Pet Permit

A security deposit equal to the amount of three hundred (\$300.00) dollars for a dog or cat or other domesticated animals approved by the Executive Director or his designee, plus the utility allowance for the unit, if applicable, will be paid to the Authority at the time the pet permit is issued. The deposit amount for the birdcage or fish tank is fifty (\$50.00) (limit of two (2) twenty (20) gallon tanks per household).

If a payment arrangement is needed, the resident must notify the Authority prior to the issuance of the pet permit. These payment arrangements may not exceed a six (6) month period for dogs and cats and other domesticated animals approved by the Executive Director or his designee and a two (2) month period for birds and fish. The security deposit will not be used for damages caused by the pet during your tenancy. The security deposit will be used for any damages noted during the tenant's vacate inspection.

The Authority will refund any unused portion of the pet deposit to the tenant within thirty (30) days after the resident vacates from the apartment. The pet deposit is not part of the rent payable by the tenant and will be held in an interest bearing account, with the interest payable to the resident. This interest will not be used in the resident's rent calculation. The Authority will notify the resident of the institution where the security deposit is being held and the corresponding account number.

Please note that if the resident removes permanently the registered pet from the unit or the pet dies, the pet deposit will not be refunded until the entire household vacates the unit. Also, any subsequent pet must meet the conditions of this policy. Therefore, a new pet permit application must be filed with the Authority prior to the pet's residency within your unit. In this case only, the security deposit will be waived.

III. Damages

Pet owners are responsible for paying the total cost of repairing any damages caused by a pet to any property owned by the Authority whether the damages are within the apartment or outside on the grounds, including any part of the building itself. This includes shrubbery, walls, windows, rugs etc. The Executive Director or his designee will assess reasonable costs for damages.

Management at full repair/replacement cost at the time of discovery of damage, as determined by an inspection, shall correct damages caused by a pet. Residents will be billed for the full repair cost at time of repair. Pet blankets, clothing, bedding, etc. are not to be cleaned or washed in the laundry room for hygienic reasons. Tenants will not alter their unit or outside areas to create an enclosure for the animal. Nor will the tenant chain or tie the pet to any furniture or appliance.

VISITORS/GUESTS MAY NOT BRING THEIR PETS ONTO AUTHORITY PROPERTY AT ANY TIME FOR ANY REASON.

IV. Development/Site Compliance

All development and scattered site neighborhoods will abide by all provisions in the Pet Policy. Prior to bringing the pet into a tenant's residence, an application must be filed at the Authority's administrative office located at 700 Adams Avenue, Memphis,

Tennessee 38103. If the pet owner is a household member age eighteen (18) years or older, both the head of household and the adult owner must sign the application for the pet permit. Both individuals will be held accountable for the provisions of this policy. In the event that the pet owner is a minor (under the age of eighteen (18), the head of household will be the only signabry.

V. Definition of Pet

Pets are defined as:

- A. Domesticated dogs, not to exceed twenty-five (25) pounds in weight, fully grown, and meeting the other requirements of this policy.**
- B. Domesticated cats, not exceeding fifteen (15) pounds in weight, fully grown, and meeting the other requirements of this policy.**
- C. Fish in an approved tank, not exceeding twenty (20) gallons of water (limit of two (2) twenty (20) gallon tanks per household).**
- D. Domesticated, caged small birds such as parakeets or canaries.**
- E. The Executive Director or his designee on a case-by-case basis will review other domesticated animals.**
- F. Reptiles, insects, non-domesticated rodents, farm animals and birds of prey are not permitted.**
- G. Residents are expressly prohibited from feeding or harboring stray animals.**

VI. Pet Application Registration

The Authority must photograph all pets. In regard to fish, an Authority representative will photograph an empty tank in your home prior to the issuance of a pet permit. This is to ensure that the permitted size will be utilized. Once the pet permit is issued, an Authority representative will photograph the tank in its habituated state. Dogs and cats will be weighed at the Authority or at a place designated by the Authority. A pet permit will only be issued once the following conditions of the policy have been met.

- A. The resident (pet owner) must be listed on the most recent lease agreement with the Authority. The household cannot be in arrears in rent.**
- B. The resident must file a Certificate of Municipal Registration of the pet in accordance with local ordinance Chapter IX, Section 9-2, and Chapter IX A, Section 9-AZ, for cats and dogs. The Executive Director or his designee on a case-by-case basis will approve other domesticated animals only.**
- C. The resident must sign a statement that he/she will assume all personal financial responsibility for damage to any personal or Authority property caused by the pet and will assume personal responsibility and liability for personal injury to any part caused by said pet.**
- D. The resident must submit the name, address and telephone number of the attending veterinarian to the Authority either annually or whenever there is a change of veterinarian.**
- E. The resident must certify and agree to the terms and conditions of the management of said pet and acknowledges that the pet permit can be revoked after two (2) warning notices for failure to follow the pet management rules. Upon revocation of this permit, the resident must remove permanently the pet from the premises within seven (7) calendar days from the date of notice. Failure to do so may result in termination of the apartment dwelling lease.**
- F. No more than one (1) animal shall be permitted per unit with the exception of fish/turtles.**
- G. All pet permits are valid for a maximum of one (1) year only. The permit must be renewed at Annual Recertification. Failure to renew the pet permit at Annual Recertification will result in the automatic revocation of the pet permit. All of the conditions of this policy must be met prior to the issuance of a new permit. Residents must file evidence, in the form of an acceptable certificate from the veterinarian, establishing that the pet is in good health and that the animal has had the proper current medical shots. For cats and dogs, the inoculation must include, but not limited to, distemper and rabies. Other inoculations may be required, as recommended by the**

veterinarian, or that is required by state or local law, ordinance or regulation. The resident must also ensure for proper grooming, exercise and nutrition of the pet.

VII. Pet Management Plan

- A. Neutering:** Neutering of dogs and cats is recommended. If the resident chooses not to have the pet neutered and the pet is disruptive (howling, odors, spraying, chirping etc.), it may be removed from the premises pursuant to the section entitled, "Revocation of Pet Permit".
- B. Pet Offspring:** No pet, already pregnant, may be introduced into any unit. No pet's offspring will be allowed. Residents are advised that pets that become pregnant while residing in Authority properties are often pets that have been allowed to roam, escaping the attention of their owner. Such pets and free roaming pets may be removed from the premises pursuant to the section entitled, "Revocation of Pet Permit".
- C. Pet Behavior:** If, in the opinion of the Executive Director or his designee, and after two (2) written warnings to the residents, a pet continues to be obstreperous, noisy and a nuisance to neighbors, the pet may be removed from the premises pursuant to the section entitled, "Revocation of Pet Policy".
- D. Birdcages and fish tanks must be cleaned frequently during the week.**
- E. Dogs may pass through the halls, elevators and public spaces for the purpose of being walked, veterinarian visits and going on vacation. The dog must be leashed and must wear proper identification and rabies tag when in transit and muzzled, if required. The leash must be no more than six (6) feet long. Retractable leashes are prohibited inside the building or any Authority premises. Dogs are not permitted to roam at will nor are they allowed to be left alone outside of the unit or secured to any outside fixtures. Pets are not allowed to defecate or urinate on Authority property. Resident owner must comply with the City of Memphis's regulations on pet defecation.**

If a dog defecates on Authority property, the resident owner is responsible for removing and properly disposing of said waste. If this is not done, this may be ground for removal of the pet from the premises pursuant to this section entitled, "Revocation of Pet Permit". If the dog urinates on the grass,

shrubs, trees or flowers on Authority grounds, the resident owner will be responsible for any and all replacement cost of damage incurred. The pet will be removed after two (2) warnings pursuant to the section entitled. "Revocation of Pet Permit".

- F. **Cats:** Cats will not be permitted outside of a resident's apartment unless they are either caged or in a carry box when in transit. They may not roam at will. Cats may pass through halls, elevators or public spaces only for the purpose of going to the veterinarian or going on vacation. Cats must use litter pans and may not use the grounds to defecate.

Commercial cat litter (not sand, newspaper or dirt) must be used in a litter pan. Pan must be cleaned daily and kept odor free. Litter must be disposed of in double tied plastic bags. These bags must be taken to the first floor chute of a highrise building for disposal and the development dumpster for a low rise development.

Pet waste must be discarded immediately and not stored in the unit. Litter must not be flushed down the toilets, sinks or bathtubs. The head of household will be responsible for the cost of repairs or replacements of any damaged toilets or pipes and these actions can result in the revocation of the pet permit.

- G. The resident agrees to manage the pet in such a way that it does not contribute to complaints from other tenants regarding behavior and activities of said pet.
- H. **Absence of Owner:** No pet may be unattended for more than twenty-four (24) hours, except in the case of a dog, which shall be for no more than twelve (12) hours. If a resident owner wants to go on vacation or becomes ill, arrangements must be made in advance for proper care of the pet. If the Executive Director, or his designee, finds the pet not properly cared for, the pet will be immediately removed from the unit after twenty four (24) hours and remanded to the pound, kennel or other appropriate authorities. The head of household will be solely responsible to pay for any and all costs for the care of the pet in a pet care facility.

In the event of an emergency, which would render the resident unable to care for the pet, the resident agrees to file a Pet Emergency Care Plan with the Authority and agrees to hdd

the Authority and its employees harmless of any liability in connection with the Pet Emergency Care Plan.

- I. Whenever Authority employees or its representatives are in the unit, whether it is for a tenant initiated work order, an emergency situation or for an inspection, the dog must be restrained in an area separated and apart from these individuals. Maintenance work will not be done in the apartment when the tenant is not present and there is a dog in the unit.
- J. In the event that there are fleas in the apartment, the tenant agrees to pay for the defleaing of the unit, by the Authority's professional exterminator.

VIII. Inspection of Apartment

Apartment containing pets must be kept clean and free of odors at all times. The resident agrees, as a condition of accepting the pet permit that the resident's apartment will be available for inspection for compliance of pet policy at any time during working hours with thirty (30) minutes notice. Pet owners also agree to pictures being taken of the pet and living conditions during these inspections.

IX. Revocation of Pet Permit

1. A pet may be removed from the premises pursuant to state or local laws, ordinance or regulations, or pursuant to the Authority's grievance hearing procedure. The Authority reserves the right to choose the most expeditious remedy process of procedure available according to the circumstances or urgency of the case.
2. In the event that state or local laws, ordinances or regulations differ or conflict with the provisions or requirements of the Authority grievance procedure in any way, the Executive Director, or his designee, may pursue the most expeditious remedy or procedure, to the exclusion of the Authority grievance procedure as permitted by law and 24 Code of Federal Regulations Part 942.
3. Nothing contained herein will prohibit the Authority or an appropriate community authority from requiring the removal of any pet from a premises if the pet's conduct or condition is duly determined to constitute, under the provision of state or

local law, a nuisance or a threat to the health or safety of other occupants of the Authority premises or other persons in the community where the project is located. This includes, but not limited to, situation in which immediate action is needed for removal of any pet from the premises pursuant to state or local laws. Ordinances or regulations to preserve the health, safety or welfare of the pet, or the health, safety, welfare, or right to peaceful enjoyment of the premises of any person.

4. Tenants are advised that pets may, among other things, be seized, impounded and disposed of for a variety of state and local animal violations including, but not limited to: stray pets, pets creating a threat to public health, safety or welfare, injury caused by pets and cruelty to pets.
5. In cases in which state or local remedies, processes or procedures are not utilized initially for removal of the pet, any decisions made by the Executive Director that a pet must be removed from the premises shall be presented in writing to the owner, in which case the owner may request a grievance hearing pursuant to the Authority's grievance procedure.
6. The Authority may revoke a tenant's pet permit and require the tenant to remove the pet from the premises when the Authority determines that any of the following exist:
 - a. The tenant's refusal to comply with these rules and regulations governing domesticated animals, constitutes a violation of federal, state or local building health or use code;
 - b. The tenant fails to care properly for the pet;
 - c. The tenant fails to properly control the pet by using a leash, if appropriate, or other necessary safety device, when walking or taking the pet to and from the dwelling unit;
 - d. The pet has caused damage to the apartment, common areas, personal property or persons;
 - e. The pet has bitten, scratched or caused injury to any persons;

- f. The pet makes animal sounds that are generally annoying to tenants and management, for example, loud barking dogs or loud meowing cats;
- g. The pet repeatedly defecates or urinates in the apartment, common area or grounds;
- h. Upon expiration of municipal animal license;
- i. Upon death of the pet; or
- j. Documented medical conditions of tenants affected by the presence of an animal in their unit.

X. Death of Pet

The pet owner is responsible for arranging for disposal of any pet. The remains of the pet must be removed from the Authority's property within twenty-four (24) hours of the pet's demise. In addition, documentation from the veterinarian or the agency disposing of the pet's remains must be submitted to the Authority within ten (10) days of the pet's demise.

XI. Vacating Resident Owner

The pet owner must pay the full fees for professional rug shampooing, if applicable, deodorizing and/or defleaing of the apartment if, in the judgment of the Executive Director, or his designee, it is necessary before a new tenant can take possession of the apartment and such fees are in excess of the security deposit.

XII. Incorporation into Lease

This pet policy is incorporated by reference into the lease of each Authority tenant. The tenant agrees to this as evidenced by his/her signature on Schedule A.

XIII. Grievance Hearing

In the event an applicant for a pet permit is denied the permit, the tenant may request an informal grievance hearing.

Schedule A

Date

I, _____,
Name of Tenant

Residing at _____,
Address (include Apt. #)

Memphis, TN. Have received a copy of the Pet Policy on

_____. This policy was explained to me, by
Date

**Memphis Housing Authority (the "Authority") representative named
below. At this time, I was given an opportunity to ask questions
about the Pet Policy.**

Tenant Name (print)

Tenant Name (signature)

**Housing Authority Representative
(print)**

**Housing Authority
Representative (signature)**

By: _____
Development Manager

Schedule B

MEMPHIS HOUSING AUTHORITY

PET PERMIT

1. Parties and Dwelling Unit:

The parties referenced in this permit are the Memphis Housing Authority (the "Authority") and _____ (referred to as the "Resident" or the "Tenant"). The Authority leases to the Resident unit number _____, located at _____, Memphis, TN.

2. Length of Time (Term):

The term of this permit shall begin on _____ and end pursuant to the Pet Policy.

3. Pet Security Deposit:

The Resident has deposited \$_____ with the Authority. The Authority will hold the pet security for the period Tenant occupies the unit. After the Tenant has moved from the unit, the Authority will determine whether the Tenant is eligible for a refund of any or all of the pet security deposit, and make such a refund within thirty (thirty) days. The pet security deposit will be held at Tri State Bank in Memphis, TN.

4. The Resident agrees to file a copy of any Municipal Registration or license with the Authority annually and to keep same current.

5. The Resident agrees to keep the pet inoculated for rabies and distemper, and to file proof annually, that such inoculations or vaccinations are current.

6. The Resident agrees to assume all personal financial responsibility for damages to any personal or project property caused by the pet and assumes personal responsibility for injury to any party, caused by the pet.

7. The Resident hereby certifies and agrees to the general terms and conditions of the management of this pet by the Resident and understands and acknowledges that the pet can be revoked for failure to follow and abide by the Pet Policy.

8. The Resident has read and understands the Pet Policy and agrees that the Pet Policy will amend the lease accordingly.

9. The Resident agrees and understands that the Pet Policy is part of the Lease and this permit.

PET EMERGENCY CARE PLAN

Resident Name: _____

Resident Address: _____

Phone # (day): _____

Phone # (evening): _____

Pet Name: _____

Breed/type: _____

Pet Permit Number: _____

List two alternate caretakers who will assume immediate responsibility for the care of the pet should the owner become handicapped, disabled or otherwise unable to care for the pet. These caretakers must sign this pet emergency care plan.

1. **Name:** _____
Address: _____
Daytime Telephone #: _____
Evening Telephone #: _____

2. **Name:** _____
Address: _____
Daytime Telephone #: _____
Evening Telephone #: _____

Resident (print)

Resident (signature)

Caretaker 1 (print)

Caretaker 1 (signature)

Caretaker 2 (print)

Caretaker 2 (signature)

This form must be returned to the Memphis Housing Authority within ten (10) business days from the date of the issuance of the pet permit.

PET RIDER

This pet rider to the lease between _____ and _____
(Resident) (Authority)

is made a part of the lease entered between parties on _____
(Date)

1. Both parties have read, agreed to and signed the attached pet guidelines in effect for complex.
2. The resident will keep his/her pet in a responsible manner and provide proper care for it as provided in said guidelines.
3. In accordance with the Pet Guidelines, the resident will provide the name, address and telephone number, in the spaces provided below, of all pet caretakers who, by signing this form, will assume responsibility for the pet should the resident become unable to care for the pet, including any damages or medical expenses. The resident will also provide the name, address and telephone number of the veterinarian responsible for the pet's health care.

PET CARETAKER #1

NAME: _____
ADDRESS: _____
TELEPHONE: _____
SIGNATURE: _____

PET CARETAKER #2

NAME: _____
ADDRESS: _____
TELEPHONE: _____
SIGNATURE: _____

VETERINARIAN: _____
NAME: _____
ADDRESS: _____
TELEPHONE: _____

Resident Signature

Date

Memphis Housing Authority

By: _____
Development Manager

COMMUNITY SERVICE/SELF SUFFICIENCY POLICY

A. Background

The Quality Housing and Work Responsibility Act of 1998 requires that all nonexempt (see definitions) public housing adult residents (18 or older) contribute eight (8) hours per month of community service (volunteer work) or participate in eight (8) hours of training, counseling, classes or other activities that help an individual toward self sufficiency and economic independence. This is a requirement of the Public Housing Lease.

B. Definitions

Community Service - volunteer work, which includes, but is not limited to:

- Work at a local school, hospital, recreation center, senior center or childcare center
- Work with youth or senior organizations
- Work at the Authority to help improve physical conditions
- Work at the Authority to help with children's programs
- Work at the Authority to help with senior programs
- Helping neighborhood groups with, special projects
- Working through resident organization to help other residents with problems
- Caring for the children of other residents so they may volunteer

NOTE: **Political activity is excluded.**

Self Sufficiency Activities - activities that include, but are not limited to;

- Job training programs
- GED classes
- Substance abuse or mental health counseling
- English proficiency or literacy (reading) classes
- Budgeting and credit counseling
- Any kind of class that helps a person toward economic independence
- Full time student status at any school, college or vocational school

Exempt Adult - an adult member of the family who

- Is 62 years of age or older
- Has a disability that prevents him/her from being gainfully employed
- Is the caretaker of a disabled person
- Is working at least 20 hours per week
- Is participating in a welfare to work program
- Is receiving assistance from TANF and is in compliance with job training and work activities requirements of the program.
- Is a full time student

C. Requirements of the Program

1. The eight (8) hours per month may be either volunteer work or self-sufficiency program activity or a combination of the two.
2. At least eight (8) hours of activity must be performed each month. An individual may not skip a month and then double up the following month, unless special circumstances

warrant special consideration. The Authority will make the determination of whether to allow or disallow a deviation from the schedule.

3. Activities must be performed within the community and not outside the jurisdictional area of the Authority.
4. Family obligations
 - At lease execution or re-examination after February 1, 2000, all adult members (18 or older) of a public housing resident family must
 1. provide documentation that they are exempt from Community Service requirement if they qualify for an exemption, and
 2. sign a certification that they have received and read this policy and understand that if they are not exempt, failure to comply with the Community Service requirement will result in no renewal of their lease,
 - At each annual re-examination, non-exempt family members must present a completed documentation form (to be provided by the Authority) of activities performed over the previous twelve (12) months. This form will include places for signatures of supervisors, instructors, or counselors certifying to the number of hours contributed.
 - If a family member is found to be noncompliant at re-examination, he/she and the Head of Household will sign an agreement with the Authority to make up the deficient hours over the next twelve (12) month period.
5. Change in exempt status:
 - If, during the twelve (12) month period, a non exempt person becomes exempt, it is his/her responsibility to report this to the Authority and provide documentation of such.
 - If, during the twelve (12) month period, an exempt person becomes nonexempt, it is his/her responsibility to report this to the Authority. The Authority will provide the person with the Recording/Certification documentation form and a list of agencies in the community that provide volunteer and/or training opportunities.

D. Authority obligations

1. To the greatest extent possible and practicable, the Authority will
 - provide names and contacts at agencies that can provide opportunities for residents, including disabled, to fulfill their Community Service obligations. (*According to the Quality Housing and Work Responsibility Act, a disabled person who is otherwise able to be gainfully employed is not necessarily exempt from the Community Service requirement*)
 - provide in-house opportunities for volunteer work or self-sufficiency programs.
2. The Authority will provide the family with exemption verification forms and Recording/Certification documentation forms and a copy of this policy at initial application and at lease execution
3. The Authority will make the final determination as to whether or not a family member is exempt from the Community Service requirement. Residents may use the Authority's Grievance Procedure if they disagree with the Authority's determination.
4. Noncompliance of family member
 - At least thirty (30) days prior to annual re-examination and/or lease expiration, the Authority will begin reviewing the exempt or nonexempt status and compliance of family members.
 - If the Authority finds a family member to be noncompliant, the Authority will enter into an agreement with the noncompliant member and the Head of Household

to make up the deficient hours over the next twelve (12) month period.

- If, at the next annual re-examination, the family member still is not compliant, the lease will not be renewed and the entire family will have to vacate, unless the noncompliant member agrees to move out of the unit.
- The family may use the Authority's Grievance Procedure to protest the lease termination.

Appendix 1 Community Service Exemption Certification

I certify that I am eligible for an exemption from the Community Service requirement for the following reason:

- I am 62 or older
- I have a disability, which prevents me from working
(Certification of Disability Form-will serve as documentation)
- I am working
(Employment Verification form will serve as documentation)
- I am participating in a Welfare to Work Program *(Must provide verification letter from agency)*
- I am receiving TANF and am participating in a required economic self sufficiency program or work activity
(Must provide verification from the funding agency that you are complying with job training or -work requirements)
- I am a full time student
(Must provide verification letter from school attended)

Resident

Date

Community Service Compliance Certification

I/We have received a copy of, have read and understand the contents of the Authority's Community Service/Self Sufficiency Policy,

I/We understand that this is a requirement of the Quality Housing and Work Responsibility Act of 1998 and that if we do not comply with this requirement, our lease will not be renewed.

Resident _____ Date _____

Resident _____ Date _____

Resident _____ Date _____

Record and Certification of Community Service and Self Sufficiency Activities

Resident Name: _____ Address _____ SSN# _____

Date of Activity: Mo/Day/Yr	Type of Service Activity	Type of Training Program	Type of Educational Program	#of Hours	Name of Company or Organization	Signature of Supervising Official
			Total Hours should equal 96			

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Grant Type and Number:
Capital Fun Program No:
Replacement Home in Favor Grant No:
Reserve for Disasters/Emergencies

Original Annual Statement
Line No.
Operating Expenses
Management Improvements
Administration
Audit
Liability Damages
Fees and Costs:
Site Acquisition
Site Improvement
Dwellin Structures
Dwellin-Equipment-Nonpenale:
Non-wellin Structures
Non-wellin Equipment
Demolition
Replacement Resere
Main to Wor Demonstration
Relocation Costs
Development Activities
Collateralization or Det Service
Contingenc
Amount of Annual Grant sums of lines
Amount of line Relate to LBP Activities
Amount of Line : Relate to Section Compliance
Amount of Line :Relate to Securit - Soft Costs
Amount of Line :Relate to Securit - Har Costs
Amount of Line :Relate to Ener Conservation Measures

Revised Annual Statement
Final Performance Evaluation Report for Program Year Ending
Total Estimated Cost
Original
Total Actual Cost
Expended
Obligated

Number of Revisits
Number of Program Year Ending
Total Estimated Cost
Original
Total Actual Cost
Expended
Obligated

Capital Fun Program No:
Replacement Home in Favor Grant No:
Reserve for Disasters/Emergencies



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INTRODUCTION

The Memphis Housing Authority has developed this administrative plan in accordance with the Final Rule published in the Federal Register on September 12, 2000. The final rule was authorized by Section 8(y) of the United States Housing Act of 1937, as amended by Section 555 of the Quality Housing and Work Responsibility Act of 1998. The following “Home Ownership Option” provides tenant-based assistance to an eligible family for the purpose of purchasing and occupying a home.

The MHA Board, upon recommendation from MHA staff, will have responsibility for approving any appropriate changes to the Program. MHA will be responsible for complying with all subsequent changes in HUD regulations pertaining to this Program. If such changes conflict with this Plan, HUD regulations will have precedence.

The policies set forth in this Program Plan are based on the September 12, 2000 final rule and October 18, 2002 revision. If there are conflicts between this Plan and language in an owner’s Housing Assistance Payments contract, the language in the contract will prevail.

STATEMENT OF PROGRAM APPROACH

The purpose of this Administrative Plan is to offer qualifying families the option of homeownership through the new Section 8 Homeownership Assistance Program (SHAPE). The mission of this program is to provide homeownership possibilities through a system grounded upon self-sufficiency, training, counseling and support. As a result, the program will empower people by virtue of becoming new homeowners, foster community pride, and create economic growth while minimizing mortgage defaults.

The Memphis Housing Authority is providing homeownership opportunities through Section 8 rental assistance vouchers. Vouchers may be used to assist you in purchasing an existing single-family home or a home under construction. The Section 8 Homeownership Assistance Program (SHAPE) is available to help participating families transition into homeowners. Qualified individuals can purchase a home and receive a mortgage subsidy for up to 15 years on a 30-year mortgage.

To qualify for assistance under the SHAPE, a family must meet the general requirements for admission to the section 8 tenant-based voucher program and additional special requirements for homeownership assistance. The criteria for determining the amount of the section 8 vouchers are the difference between 30 percent of a household’s income and their total mortgage payment. The housing assistance payment (HAP) combined with income, equals the total mortgage payment which includes principal, interest, taxes and insurance (PITI) made by the household. Although, the homeownership program is open to Section 8 participants, not every Section 8 tenant-based family may be eligible for homeownership assistance.



Qualification for Home Ownership Assistance:

The prospective purchaser must meet the following eligibility criteria in order to participate:

- a. Be a Section 8 Voucher holder who is eligible to move.
 - b. Employed for a minimum of one year and work at least 30 hours per week (employment history requirement is not applicable to elderly and disabled families)
 - c. Have a minimum yearly income of \$14,100
 - d. Complete a certified home-ownership counseling program
 - e. First Time Homebuyer or have not owned a home in the past three years
 - f. Enrolled or completed a MHA approved Preparatory Program or have established an Individual Development Account under the auspices of the RISE Foundation. The guidance of these programs will assist the eligible applicant to become mortgage ready.
1. A family must meet the general requirements for admission to the Section 8 tenant-based voucher program (§982.627).
 2. A family must satisfy the minimum income requirements (§982.627c). The family must demonstrate sufficient income to meet a minimum income standard, which is intended to assure that a family will have sufficient income to pay a mortgage and other family expenses not covered by the HAP.
 3. A family satisfies the employment requirements (§982.627d). The family must be able to demonstrate, at the time that the family initially receives home ownership assistance, that one or more adult members of the family have achieved employment for a one year time period as required by HUD’s guidelines. The family must demonstrate that one or more adult members who will own the home is currently employed on a full-time basis (not less than an average of 30 hours per week) and has been continuously employed during the year before commencement of home ownership assistance. Public Housing Relocation participants within HOPE VI must satisfy this requirement as well. Employment history is not applicable to elderly or disabled families.
 4. The family member who will be responsible for the mortgage must attend and satisfactorily complete a pre-assistance home ownership and housing counseling program required by MHA before commencement to homeownership assistance (§982.630).
 5. The family must be a first-time homebuyer or have not owned a home within the last three years (§982.627b). To qualify as a “first-time home owner” the assisted family may not include any person who owned a “present ownership interest” in the residence of any family member in the last three years, and neither the head of household or spouse has defaulted on a mortgage obtained through the home ownership option. (Example: a possible exemption from the first-time home ownership eligibility requirement is a divorced spouse who does not



Section 8 Statement of Homeownership

currently own a home but had joint ownership of a home with their exspouse in the last three years.)

6. The prospective purchaser must be low or very low income (as defined by HUD based upon family size) at the time the household initially occupies the property. (Gross Annual Income equals total monthly income, received monthly by each adult member of the household multiplied by twelve (before taxes and other deductions). This includes all wages, social security payments, unemployment benefits, interest and dividends payments, child support, and rent royalties. Welfare assistance may not be included.
7. Head of Household or spouse must be enrolled or have completed a MHA approved Preparatory Programs or RISE Foundation Save Up Program for the home ownership option. The enrollment is waived for public housing residents who are relocating due to HOPE VI projects and if they are or have paid monthly rent exceeding \$600.

HOMEOWNERSHIP SELECTION PROCESS:

Application will be selected in accordance with Federal Regulations as published by the U.S. Department of Housing and Urban Development. Procedures will be as follows:

- A. Eligible Parties:
 1. MHA resident who is lease-compliant and is relocated from public housing as a result of dislocation due to demolition or redevelopment of their unit, and who selects SHAPE as their permanent or temporary housing choice in their initial right of return recertification.
 2. Present Section 8 voucher holders that have been within the Section 8 Program for least one year.
 3. All home ownership applications will be accepted for consideration during open enrollment.
- B. A preliminary review of the application will be made to determine whether:
 1. The application is complete;
 2. Credit references and rental history have been provided; and,
 1. The applicant satisfies HUD requirements of eligibility.
 - a. Only U.S. citizens and non-citizens with eligible immigration status are eligible for homeownership assistance from HUD.
 - b. The applicant's gross annual income as defined by HUD may not exceed the median income limit as published by HUD. The applicant must be willing and able to pay their portion of the housing expenses, calculated under the Section 8 guidelines.



- c. All household sizes are eligible, provided the household size does not exceed the maximum family composition as shown in Subsidy Standards and Eligible Property Section. The unit must be the family's primary residence.
- C. Selection criteria is based up on, but not limited to, the participant's ability to provide the following:
- a. Demonstrated ability to make timely payments, reflective of history of timely rental, utilities, telephone payments, etc;
 - b. Verification from two prior landlords showing a history of properly maintaining the unit;
 - c. Verification on prior subsidized housing history, concerning, but not limited to, tenancy termination for fraud, non-payment and/or a failure to cooperate with re-certification procedures;
 - d. Good credit references;
 - e. Demonstrated ability to maintain present housing in clean, safe and sanitary condition;
 - f. Family size appropriate for available housing;
 - g. Birth certificates, social security numbers and other legal documentation as requested;
 - h. Be able to pass criminal background record check; and
 - i. Be able to pass verification of any illegal drug usage and/or activity by any household members.

INCOME AND EMPLOYMENT ELIGIBILITY

Final Rule (§982.627c & d)

For the SHAPE Program, at the time of admission, a family must have on annual income of \$10,300. The participant must have been continuously employed for a minimum of one year. However, the eligible participant must also meet the income and employment requirements established by the lender for a first mortgage loan. The participant must remain employed during the term of homeownership assistance. If employment termination should occur, the participant will receive assistance in searching for new employment through MHA Resident Employment Training Center or any Workforce Development Center. Employment history is not applicable to elderly or disabled families.

Public assistance income cannot be used to determine the family's minimum income to qualify for home ownership assistance. Public assistance is counted for other program purposes such as income eligibility for the voucher program. However, public assistance income of an elderly family (62 years plus) or disabled family (a family whose head or spouse is elderly or disabled) will count in determining whether the elderly or disabled family has the minimum income to qualify for home ownership assistance. This public assistance only applies to families that satisfy the statutory definition of elderly or disabled family. Public assistance does not apply in the case of a family that includes a disabled person other than the head of household or spouse.

PARTICIPANT'S CONTRIBUTION

Final Rule (§982.625d)



Participants are required to make a minimum downpayment of three (3%) percent. At least one (1%) percent of the downpayment must come from personal savings. The balance of the downpayment may be advanced from the FSS escrow account, gift, or other sources such as City of Memphis, HCD Division, Down Payment Assistance Program, Tennessee Housing Development Agency Program and non-profit organizations.

HOMEOWNERSHIP COUNSELING

Final Rule (§982.630)

The program participant must participate and satisfactorily complete MHA's required pre-assistance homeownership and housing counseling program. This program may consist of a one-on-one session or a classroom style approach with potential homebuyers. The participants will be referred to a HUD-approved housing counseling agency. The housing counseling agency will be required to provide a minimum of 8-10 hours of homebuyer education and training and homebuyer prequalification to all program participants. The pre-assistance counseling program will cover the following subjects:

- Home maintenance (including care of grounds)
- Budgeting and money management
- Credit Counseling
- How to obtain home ownership financing and loan pre-approvals
- How to find a home and negotiate the sale price
- Information on Fair Housing
- Counseling will be adapted to family's needs

On-going counseling will be extended at the discretion of MHA based on individual family circumstances. In the event of mortgage payment delinquency, the counseling agency will ascertain the circumstances that led to the default and develop a corrective strategy in conjunction with the participant, the MHA Family Self-Sufficiency Client Services Representative and/or MHA Homeownership Program Coordinator.

SHAPE PROGRAM

The SHAPE Program will accept participants from any MHA pre-approved Homeownership Program. The programs outlined below are preparatory programs which are designed to provide various levels of supports to families who are interested in homeownership.

The SHAPE Program is a fast track program which is designed for families who meet all eligibility criteria and have resolved any potential credit issues. Once a family is referred to the SHAPE Program, they will be required to complete all required homeownership classes within ninety days, select a mortgage lender and begin the pre-qualification process. Once the family has provided evidence that they have complete all homeownership classes and have been prequalified by a lender, MHA will issue the family a homeownership voucher. The family should identify a home to purchase within sixty days of the issuance of the homeownership vouchers. Extension may be granted on a case-by case basis.

PREPARATORY PROGRAMS



In order to participate in the Section 8 Homeownership Program, the Head of Household or spouse must be actively participating or have successfully completed an approved Homeownership Preparatory Program. The programs identified below satisfy the requirement:

MHA HOMEOWNERSHIP PREPARATORY PROGRAM

The MHA Homeownership Preparatory Program is designed to work with families who meet the income and job requirements but cannot yet be referred to the SHAPE Program due to credit issues. The program will provide support and educational opportunities for families who want to identify their credit problems, learn how to resolve the issues and work on formulating a plan for achieving homeownership. The program will offer both internal case management and external expert advice on credit and homeownership issues. This program is a self-driven program. Participants is responsible for the initiation and implementation all activities in order to accomplish the homeownership goal.. The length of time that each family may participate in this program will depend on heir individual financial and credit situation.

FAMILY SELF-SUFFICIENCY PROGRAM

The Memphis Housing Authority offers a Family Sufficiency Program for Public Housing and Section 8 families. The goal of the FSS program is to assist families in achieving financial independence from all government assistance. Although families in the FSS do not have to elect homeownership as a goal, it is strongly encouraged. The FSS Program offers a variety of supportive services tailored to families who need additional support in areas such as credit repair and money management. Additionally, FSS families have the opportunity to accumulate savings in an FSS escrow account that can be used to cover costs associated with purchasing a home including but not limited to closing and down payment costs.

A family may participate in the FSS and SHAPE program simultaneously. However, an FSS family will not be referred to the SHAPE Program until they have met all applicable criteria and have cleared up any credit issues that would present a barrier to achieving homeownership.

Participants in the Family Self-Sufficiency (FSS) may enroll in the SHAPE Program. Homeownership classes can be used as a goal or activity in their individual plan that will educate them in homebuyer's education, credit assessment and counseling programs... During monitoring meetings, the FSS Client Services Representative will discuss any issues regarding homeownership, ascertain home repair needs and status of payment and savings goals, etc.

Funds from a participant's Family Self-Sufficiency escrow account may be used for down payment assistance and/or home maintenance and improvement purposes . However, a participant must meet the criteria established by MHA. All requests will be examined on a caseby case basis.

RISE FOUNDATION AND SAVE UP INDIVIDUAL DEVELOPMENT ACCOUNT INITIATIVE



Section 8 Statement of Homeownership

The RISE Foundation is a non-profit corporation. Its mission is to assist Memphis public housing residents in reaching financial self-sufficiency (including Section 8 voucher holders. The Foundation sponsors Save Up, an individual development account initiative for employed residents. Resident participants enrolled in the program attend economic literacy training, open special savings accounts and save \$25 to \$75 per month. RISE matches participants' savings 2-to-1 up to a combined maximum total of \$5,000. The Foundation partners with agencies that provide credit counseling and asset-specific training. Participants enrolled in the RISE Foundation Save UP program must maintain an Individual Development Account for a period of not less than six months..

SUBSIDY STANDARDS REQUIREMENTS:

Final Rule (§982.402 and 982.503)

Families may choose to purchase a larger or smaller home as long as the Housing Quality Standards requirements are met. The intent of HUD requirements is that the smallest appropriate bedroom size be assigned to participant families without overcrowding. The following standards are used for the appropriate bedroom size for the homeownership assistance program:

Number of Bedrooms	Number of Persons	
	<u>Min</u>	<u>Max</u>
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	5	10
6	6	12

The subsidy standards are based on the Fair Market Rents (FMR) published annually by the U.S. Department of Housing and Urban Development. The "Payment Standard" reflects the cost of leasing a unit in the Shelby County area. Thirty (30%) percent of the family's monthly adjusted income may not equal or exceed the payment standard for the unit size the family has been assigned.

A live-in aide may be permitted, if needed, for a person with disabilities.

NOTE: Payment standard is subject to change annually.

ELIGIBLE PROPERTIES:

Final Rule (§982.628)

Eligible properties will include existing or newly constructed, single family residences, town homes, zero lot line homes and condominiums located within Memphis Housing Authority's jurisdiction. The purchased property must be used as the principal residence and:

- a. . A Homebuyer must keep the purchased property as the principal residence and may not, at any time, lease the purchased property. Language to this effect will be incorporated into all Section 8 Homeownership documentation;



- b. The seller of the home has not been debarred, suspended, or subject to a limited denial of participation under CFR 24

The purchased property will require inspection by MHA for Housing Quality Standards and by an independent Home Inspector selected by the family. Any repairs noted by either inspector must be reviewed and accepted by the MHA and the purchaser. MHA and the purchaser must conduct the final walk-thru before closing. Annual Housing Quality Standards inspections will not be conducted.

PURCHASE REQUIREMENT

Final Rule (§982.629)

A participant has 180 days from the date of issuance of a Homeownership Eligibility Voucher to locate a home and to execute a contract of sale with the seller. Furthermore, the family must close on the home within a reasonable time, as determined by the MHA. The family will be required to report periodically to the Authority on their progress in locating and purchasing a home.

If the family is unable to purchase a home within the maximum time established by this administrative plan, MHA may issue the family a voucher to lease a rental unit.

SALES CONTRACT

Final Rule (§982.631c)

The participant must enter a sales contract with the seller and provide a copy to MHA. The sales contract must specify:

- a. The purchase price and other terms of sale by the seller to the purchaser.
- b. That the participant will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector and MHA.
- c. That the participant is not obligated to purchase the unit unless the inspection is satisfactory.
- d. That the participant is not obligated to pay for any necessary repairs.
- e. That the purchase price is subject to an independent real estate appraisal.
- f. That the participant shall have not less than thirty (30) days to secure financing.
- g. That the seller is not debarred, suspended, or subject to a limited denial of participation under CFR 24.

The sales contract should include language consistent with the standard Tennessee residential sales contract. The participant should obtain (but is not obligated) legal counsel to review the contract.

HOME INSPECTION

Final Rule (§982.631)

Upon receipt of an executed sales contract, MHA shall arrange and conduct a Housing Quality Standard (HQS) Inspection as established in 24 CFR 982.401. MHA will conduct the HQS Inspection within 3 to 5 business days from the date of the request by the participant.

The participant must also secure an approved independent, bonded home inspector to perform a visual inspection and produce a written report on the condition of the property. The purpose of this inspection is to determine major defects requiring repairs by the current owner before the property is



approved for purchase. The independent inspection and report must cover major building systems and components, including foundation and structure, housing interior and exterior, roofing, plumbing, electrical, and heating systems. The independent inspector must provide a copy of the inspection report both to the family and to MHA.

The participant cannot select a MHA employee or contractor, or any other person under the control of MHA to perform the inspection. However, the independent inspector must meet the qualification standards established by MHA.

After completion of the HQS and independent home inspections, MHA will review the written inspection report and issue a letter qualifying or disqualifying the home. Any repairs deemed necessary by the HQS inspector must be completed before closing on the mortgage at the seller's expense. Repair costs for major items estimated to be over \$1500 will result in a failed HQS inspection and disqualification of the home for assistance under the homeownership option. MHA will not commence homeownership assistance until the property has been inspected and has passed HQS.

Existing and newly constructed homes must be inspected before the closing on the purchase. The sales contract must clearly indicate that execution of the purchase agreement with the seller shall be subject to final inspection and approval of MHA.

SALE OF HOME

MHA will not impose or enforce any requirement for the recapture of voucher homeownership assistance on the sale or refinancing of the home purchased under the SHAPE Program. A participant may purchase another home with homeownership assistance; provided, there is no ownership interest in any property or mortgage loan default and it is the participant's primary home.

Most of the homeownership requirements applicable to the first home purchase remain applicable to subsequent purchases. MHA will determine if further counseling is necessary as well as determining the acceptability of the financing. The family does not have to meet the first homebuyer requirement is the only exception. The established time of fifteen (15) years applies to the cumulative time the family receives homeownership assistance.

FINANCING

Final Rule (§982.632)

MHA is working to establish partnerships with local lenders to create a source for mortgage financing for program participants. At least four lending institutions have been identified for this purpose. MHA is attentive to abusive and predatory lending practices and seeks to maximize the opportunity for homeownership for Section 8 participants by using conforming conventional lending as well as federal insured and state bond financing when appropriate.

The Down Payment Assistance Department of Housing and Community Development will review all mortgage packages to ensure compliance with program guidelines and to identify down payment and closing costs assistance necessary to complete the transaction.



The Housing Counseling Centers will play significant role in credit counseling and credit record reconciliation to prepare participants for mortgage-readiness.

MHA reserves the right to review lender qualifications, loan terms and fees before closing on a loan and authorizing homeownership assistance. Additionally, MHA may disapprove proposed, refinancing or other debt if it is determined that the debt is not affordable or that either the lender or the loan terms do not meet MHA qualifications. In making this determination, MHA may take into account other family expenses, such as childcare, non-reimbursed medical expenses, homeownership expenses, and other family expenses as determined by MHA.

First mortgage lenders are not allowed to charge fees that exceed 1% of market interest rates and/or discounts points applicable to comparable products the lender offers. Owner financing is not permitted unless the seller is a non-profit organization approved by MHA.

MHA will provide a participating lender's list; however, all participants must secure their own financing. Only 30 year, fixed rate, level payment, fully amortizing loans are eligible for use in the program. Participants may not secure adjustable rate mortgages nor mortgages with balloon payments.

Qualifying income will consist of a combination of the participant's Housing Assistance Payment (HAP) paid by MHA and the participant's earned income. The maximum purchase price will be based on mortgage affordability using 29% housing to income and 40% debt to income qualifying ratios and use of any down payment funds secured by the participant.

Currently, the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) have developed guidelines for approved seller/servicer lenders to follow when originating and delivering Section 8 Homeownership loans to them for purchase. The terms and conditions of the programs are available for approved seller/servicer lenders to add to existing commitments with either or both investors upon request.

COMPUTATION OF HOUSING ASSISTANCE PAYMENT *Final Rule (§982.635)*

MHA will calculate the HAP by using the definitions of annual income and adjustments as defined in 24 CFR Part 5 as the lesser of:

- a. The payment standard minus the total tenant payment
- b. The family's monthly homeownership expense minus total tenant payment

The payment standard for a family is the lower of the payment standard for the family unit size or the payment standard for the size of the home (*Section G. Subsidy Standards Requirements*). If the property is located in an exception payment standard area, MHA must use the appropriate payment standard for the exception payment standard area.

The payment standard for a family is the greater of the payment standard at the commencement of homeownership assistance for occupancy of the home or the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.



MHA must use the same payment standards schedule, amounts, and subsidy standards for the homeownership option as for the rental voucher program.

Example:

Calculation I

Applicable Payment Standard	\$753 (3 bedroom)
<i>(Use the lower payment standard of the actual unit size or voucher size)</i>	
Less Total Tenant Payment	<u>\$258</u> (30% of Minimum monthly income)
MHA subsidy amount (HAP)	\$495

Calculation II

The following calculation is computed if the monthly mortgage payment exceeds the payment standard.

<i>Total Housing Expenses</i>	
Mortgage (P&I)	\$488 (maximum sale price of \$70,000)
Taxes	\$50
Insurance	\$50
Maintenance Reserve	\$75 (calculated \$.14 per square footage)
Utility Allowance	<u>\$135</u> (based on the actual size of the unit)
Total	\$795
Less Total Tenant Payment	<u>\$258</u>
MHA Subsidy amount (HAP)	\$540

The MHA subsidy amount (HAP) is the lesser of calculation I and II. The homebuyer's portion is \$308 and MHA's portion is \$495.

Upon the participant securing an approval for a mortgage, MHA will forward evidence of the Homeownership Option Voucher to the Lender. After loan closing, the mortgage assistance check will be written to the mortgage company, in care of the participating family. MHA shall mail the payment directly to the homeowner on the first of each month. The homeowner will be responsible for mailing their portion and the Housing Authority's portion to the mortgage company. The two payments, when combined, should equal the entire amount of the mortgage payment due for the month. It is the homeowner's responsibility to ensure that the payments are mailed together. Lender's will not accept partial payments. Late payments will be the responsibility of the homeowner.

The participant must notify MHA of any and all late payments within 10 days of payment delinquency.

HAPs may only be paid while the family resides in the home. If the family moves out of the home, MHA will discontinue payment a month after the family moves out and the family is not required to refund MHA for that month.

HOMEOWNERSHIP EXPENSE

Final Rule (\$982.635c)



MHA will adopt policies to determine the amount of homeownership expense that will be allowed in accordance with HUD requirements. Homeownership expenses for a homeowner may only include the following expense:

- 1) Mortgage Payment
 - a) Principal
 - b) Interest
 - c) Real Estate Taxes
 - d) Insurance
- 2) Utility costs
- 3) Refinancing Debt
- 4) Assessment on Home
- 5) Home Insurance
- 6) Routine Maintenance Expense (calculated \$.14 per square footage)
- 7) Major repairs and replacements and/or debt incurred to make such repairs
- 8) Cost to make a home accessible to a person with disabilities
- 9) Expense to improve the home to accommodate disabled persons and/or meet the Housing Quality Standards (will be included in the purchase price; currently up to \$1500 but may be increased on a case by case basis)

MAXIMUM TERM OF HOMEOWNERSHIP ASSISTANCE PAYMENT

Final Rule (§982.634)

Except in the case of an elderly family or a disabled family, the maximum term of homeownership assistance shall be 15 years for mortgage terms greater than 20 years. If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term at the initial purchase. The maximum term applies to any member of the family or the spouse of any member of the household who has an ownership interest in the unit during the time home that homeownership payments are made.

The maximum term for home ownership assistance does not apply to an elderly family or a disabled family. In the case of an elderly family, this exception is only applied if the family qualifies as an elderly family at the commencement of home ownership. In the case of a disabled family, this exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family. If, during the course of homeownership assistance the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date home ownership commenced. However, such a family must be provided at least six additional months of homeownership assistance after the maximum term expires.

PORTABILITY

*Final Rule (§982.636)
MHA Section 8 Admin.
Plan Pg. 16*

The family is free to select a home of their choice located within the jurisdiction of Memphis Housing Authority. However, if the family qualifies for portability the family may select a home in the



Section 8 Statement of Homeownership

jurisdiction of the receiving PHA, if the receiving PHA is approving units under the Section 8 Home Ownership Option. MHA will encourage and request other Housing Authorities to absorb the family that moves out of Shelby County, but will fully cooperate if a Housing Authority wishes to administer MHA assistance. The receiving PHA will arrange for any necessary counseling and its homeownership policies will apply to the portable family.

Families that are new admissions to the program must meet the income eligibility requirements in the areas where the family initially purchased the property. Participant families must also meet the income eligibility requirements in the area to which the family plans to move. In this case, the family is considered “continuously assisted” and the Low Income Limit is used to determine eligibility. Families are informed of these requirements in the briefing session.

A family in which the head of household or spouse of the family lived within Shelby County on the date of application is eligible for portability at the time a voucher is issued. Other families outside of the Shelby County area but is within MHA’s jurisdiction must live in the purchased property for twelve (12) months before becoming eligible for portability unless the receiving PHA mutually agrees to accept the outgoing family. The family is only allowed one move during any one year period.

Families must notify MHA in writing when they want to move using the portability feature. MHA will contact the receiving PHA after receiving notification of the move. MHA will confirm the following to the receiving PHA:

1. The family is eligible for assistance (i.e., meets the requirements of MHA); and
2. A voucher has been issued to the family.

To the greatest extent possible, MHA will absorb voucher holder families moving into Shelby County from other jurisdictions. MHA will only administer assistance to such families on behalf of an initial PHA when the MHA program utilization rate is 100%, making impossible within the HUD approved budget.

RESALE PROVISIONS:

Final Rule (§982.640)

, A family may refinance to take advantage of lower interest rates, or better mortgage terms, without any penalty. MHA shall be notified before any transaction occurs.

. Most the homeownership requirements applicable to the first home purchase remain applicable to a subsequent purchase. The family must again meet the employment threshold. The necessity of any counseling will be determined by MHA. An independent home inspection and HQS inspection will be conducted. MHA will determine the acceptability of the financing. The maximum term of homeownership assistance applies to the cumulative time the family receives homeownership assistance.

TERMS AND CONDITION FOR OWNERSHIP



Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, MHA will not continue homeownership assistance after the month the family moved out. The family or lender is not required to refund to MHA the homeownership assistance for the month when the family moves out.

Upon death of a family member who holds, in whole or in part title to the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer or title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members in accordance with the initial application.

The family must supply any information as required by MHA or HUD concerning any mortgage or other debt incurred to purchase or any refinancing a home (including information needed to determine whether the family has defaulted on the debt, and the nature of any such default), and information on any satisfaction or payment of the mortgage debt, any sale or other transfer of any interest in the home, or the family's homeownership expenses.

FAMILY OBLIGATION

*Final Rule (§982.633)
MHA Section 8 Admin.
Plan Pg. 20*

Before commencement of homeownership assistance, the family must execute a statement of family obligation and agree to comply with all obligations. (Appendix A)

The family is obliged under the terms of its voucher subsidy to:

1. Occupy the home as their primary place of residence.
2. Comply with the terms of any mortgage securing debt incurred to purchase the home and any refinancing of such debt.
3. Notify MHA immediately of any defaults on a mortgage securing any debt incurred to purchase the home.
4. Not sell, convey or transfer any interest in the home to any entity or person prior to informing MHA. Housing Assistance Payments will terminate with any sale, conveyance or transfer.
5. During the time the family receives homeownership assistance, no family member may have any ownership interest in any other residential property.
6. Supply such certification, release information or documentation as MHA determines to be necessary in the administration of the program, including information required by MHA for a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.



Section 8 Statement of Homeownership

7. The family understands that continued Housing Assistance Payments from MHA are reevaluated annually and continued assistance is not guaranteed. The family is responsible for the entire monthly mortgage payment (PITI) in the event that HAP are discontinued.
8. The family must continue to comply with all the terms and conditions of the HAP contract.
9. In the event that the family is unable to make its monthly mortgage payment, it must immediately contact MHA to determine what options are available.
10. The family must attend and complete ongoing homeownership and housing counseling as recommended by agency designated by MHA.
11. The family must remain in compliance with the Section 8 Homeownership requirements as long as they continue to receive HAP assistance.
12. The qualifying family members must continue working. If there is a loss of employment, the family must immediately contact Section 8 Representative.
13. The family must report all family income from all sources and the names of all persons living in the household.
14. The family must report in writing to MHA within thirty (30) days when there is any reported change in family composition, or any adult household member who was previously unemployed is now employed.
15. The family must notify MHA before the family moves out of the home.
16. The maximum term or employment requirement does not apply to elderly and disabled families. In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.
17. If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term and employment requirement becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least six months of homeownership assistance after the maximum term becomes applicable.
18. Each member of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.
19. Each member of the family must not participate in illegal drug or violent criminal activity.

DENIALS AND TERMINATIONS

*Final Rule (§982.638)
MHA Section 8 Admin.
Plan Pg. 25-29*



MHA Termination of the HAP Contract

MHA will terminate a current HAP contract or deny approval of a new HAP contract for the reasons listed below. In these cases the HAP contract will terminate on the last day of the month following the month in which MHA provided the applicant with notice. MHA may also terminate the HAP contract for breach of contract that includes the following:

1. HAP contract violation (such as not maintaining HQS);
2. Any fraud or bribery or other corrupt or criminal act in connection with Federal Housing programs;
3. Engaging in any drug-related criminal activity or any violent criminal activity;
4. Any failure to comply with mortgage insurance/loan program regulations, or bribery or other corrupt or criminal act in connection with the program.

Denial or Termination of Assistance to Applicant/Participant Families:

1. MHA may deny housing assistance to any applicant household who:
 - a. Does not meet eligibility requirements;
 - b. Has any household member who refuses to sign or submit consent forms;
 - c. The Total Tenant Payment is greater than the Payment Standard;
 - d. Has any household member who has been evicted from public housing within the past five (5) years.
 - e. If MHA has ever terminated assistance to any household member under the Section 8 Certificate/Voucher Program
 - f. Has any household member who illegally possesses weapons.
2. MHA may deny or terminate housing assistance to any applicant or participant household who:
 - a. Violates program obligations.
 - b. Commits fraud in connection with this program or any other Federal Housing Assistance program. If MHA determines that the family committed willful and intentional fraud, MHA may require the family to repay any amount owed in full or the family's assistance may be terminated. MHA may at its discretion offer the applicant or participant the opportunity to enter an agreement to repay the amounts owed to MHA or another Housing Authority. If MHA elects to make such an offer, the agreement shall be on terms prescribed by MHA. MHA may at any time deny or terminate assistance for breach of such agreement.
 - c. Owes money to MHA or any other Housing Authority in connection with the Section 8 Program or the Public Housing Program, if an applicant; or owes money to MHA and breaches a reimbursement agreement, if a Section 8 participant;
 - d. Has engaged in or threatened abusive or violent behavior toward MHA personnel;
 - e. Has \$0 in housing assistance payments paid on the family's behalf for six months;
 - f. Has any household member who is convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project.



Section 8 Statement of Homeownership

- g. Has engaged in felonious drug-related criminal activity or violent criminal activity or where members of the assisted family have used the assisted unit for drug trafficking, or have allowed other person to use or live in the unit and engage in drug trafficking;
- h. Has any household member who is illegally using or possessing a controlled substance for personal use within one year before the date MHA provides the notification of termination of assistance or ineligibility;

However, a family member who has an addiction, a record of such impairment, or is regarded as having such impairment, will not be denied assistance if the family member is recovering, or has recovered, and does not currently possess or use controlled substances. A family member who had engaged in using drugs must submit evidence of participation in or successful completion of a treatment program as a condition of assistance.

- i. Has any household member who illegally possesses a weapon;

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, MHA will consider all of the circumstances of the case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

In the case of a proposed termination of assistance under Section X (2)(f); (2)(g); (2)(h); or (2)(i) MHA will consider all the facts including whether the participant knew, or should have known, of the illegal activity within the household.

- 3. Families must report any absence of the entire household (circumstances in which all family members are absent and the unit has no occupants) of more than 30 days to MHA. At purchase, and while preparing to move-in, MHA will allow the families to be absent from the house up to a maximum of 30 days. Subsequent to move-in, MHA will permit absences of no more than 90 days unless the participant can document a medical need.

In no case may a participant be absent from their home for more than 180 days. If the family leaves the household for more than 90 days for a reason, other than medical need, the house will not be considered the family’s principal residence and the family shall be terminated from the program.

A family who: 1) vacates the property in violation of program requirements or the mortgage housing requirements; 2) owes a balance to the mortgage company or MHA for unpaid portion or damages; or 3) refuses to enter into or meet the terms of a repayment agreement, will be considered ineligible for continued assistance and will have its assistance terminated.

MORTGAGE DEFAULT

Final Rule (§982.638d)



Section 8 Statement of Homeownership

In the event of mortgage default and the family is dispossessed from the home pursuant to a judgment or order of foreclosure on a FHA-insured mortgage, a homeowner will be denied continued assistance under the homeownership program. The participant will be required to sign an agreement to share information regarding the homeownership process and documents with MHA. If a participant is delinquent in making a payment, MHA will notify the appropriate counseling agency to assist in resolving this matter in a timely fashion. The counseling agency will ascertain the circumstances that led to the default and develop a corrective strategy in conjunction with the participant and the MHA Family Self-Sufficiency and/or MHA homeownership program coordinator.

MHA may permit the family to move to a new unit with continued voucher rental assistance in the event of foreclosure on a loan that is not FHA-insured. MHA will deny such permission, if:

1. MHA does not have sufficient funding to provide continued assistance;
2. Grounds for denial or termination of assistance, including termination of assistance for violation of any family obligations described in section Family Obligation;
3. The family defaulted on a FHA-insured mortgage;
4. The family fails to demonstrate that:
 - a. The family has conveyed title to the home, as required by HUD, to HUD or HUD’s designee; and has moved from the home within the period established or approved by HUD.

ADMINISTRATIVE FEES

Final Rule (§982.639)

The ongoing administrative fee describe in 24 CFR 982.152(b) is paid to MHA for each month that homeownership assistance is paid by MHA on behalf of the family.

FAIR HOUSING AND NONDISCRIMINATION POLICY

MHA Section 8 Admin. Plan Pg.1

MHA affirmatively furthers Fair Housing in the administration of the program by complying fully with all Federal, State and local nondiscrimination laws and administers programs in accordance with the rules and regulations governing Fair Housing and Equal Opportunities in housing and employment. MHA does not discriminate against any applicant or participant because of race, color, creed, national or ethnic origin or ancestry, religion, sex, age, disability, source of income, marital status or presence of children in a household; nor will any criteria be applied, or information be considered, pertaining to attributes or behavior that may be imputed by some to a particular group or category. MHA does not deny to any family the opportunity to apply for housing (when the waiting list is open) or deny any eligible applicant the opportunity to lease a housing unit that meets program requirements.

DRUG-FREE HOUSING



Section 8 Statement of Homeownership

As part of the homeownership assistance criteria, the applicant will be required to sign an addendum agreeing with the U.S. Department of Housing and Urban Development’s guidelines for drugfree housing. Applicant must also sign Form HUD-9886, Authorization for the Release of Information, to facilitate a criminal background record check. MHA is authorized to obtain this information. A previous history of drug arrest or violent criminal acts, without proof of rehabilitation, will be considered grounds for denial of the applicant.

Falsification of homeownership application information is grounds for application rejection.

An applicant will be notified in writing as to the status of his/her application. If an application is rejected, an applicant will be so notified and will be given ten (10) days to respond to the rejection notice. Applicants must keep MHA informed of any change in their address or telephone number where they can be reached. If an applicant cannot be reached at the number or address provided, the application will be rejected. Applicants must contact MHA every six (6) months to advise of their desire to remain on the waiting list.

MONITORING PROGRAM PERFORMANCE

*MHA Section 8 Admin.
Plan Pg.36*

MHA will maintain records of applications, eligibility and ineligibility determinations, verifications, HQS inspections, leases, contracts and payment information in each applicant’s or participants’ files. Inactive files will be maintained for three years.

Applicable records related to immigration status will be maintained for five years. All other aspects of monitoring program performance will be performed in accordance with HUD requirements and MHA’s policies.



APPENDIX A



**MEMPHIS HOUSING AUTHORITY
SECTION 8 HOMEOWNERSHIP ASSISTANCE PROGRAM**

**STATEMENT OF HOMEOWNER OBLIGATIONS
AND FAMILY RESPONSIBILITIES**

I/We, _____, participant(s) in the MHA Section 8 Homeownership Assistance Program (SHAPE), fully understand the following conditions regarding my/our continued eligibility for housing assistance payments in conjunction with my/our ownership of a _____ located at _____ and agree that:

1. My/Our home will be occupied by the following family members:

_____	_____
_____	_____
_____	_____
_____	_____

2. I/We understand that my/our family must occupy the home as my/our primary place of residence.
3. The initial monthly Housing Assistance Payment will be \$ _____ and will begin on annually, based on any changes in payment standards, homeownership costs, household income and/or household composition, in accordance with U.S. Department of Housing and Urban Development (HUD) requirements.



Section 8 Statement of Homeownership

4. The monthly Housing Assistance Payment will be made as follows:
- \$ _____ will be paid directly to _____
- \$ _____ will be paid directly to _____
- \$ _____ will be paid directly to me/us.
5. Housing Assistance Payments will be made available for a maximum of fifteen (15) years, unless the head of household or spouse is disabled or elderly. Housing Assistance Payments are contingent on my/our compliance with the requirements of this Statement of Homeowner Obligations and Family Responsibilities, the policies of the MHA Section 8 Homeownership Assistance Program, HUD Program requirements and upon continued appropriations to the Memphis Housing Authority by HUD.
6. I/Our family understand (s) that continued Housing Assistance Payments from MHA are reevaluated annually and continued assistance is not guaranteed. I/We understand that I/we are responsible for the entire monthly mortgage payment (principal, interest, taxes and insurance) in the event SHAPE are discontinued.
7. I/We understand that I/we must continue to comply with all the terms and conditions of my/our HAP contract.
8. I/We understand that I/we must continue to be in compliance with my/our Family Self - Sufficiency Contract as long as I/we continue to receive HAP assistance.
- I/we understand that I/we must continue working and if there is a loss of employment, I/we must immediately contact my/our Section 8 Representative and contact the nearest Employment Assistance Center in an effort to regain employment.
10. I/We must report all family income from all sources and the names of all persons living in our household.
11. If, at any time, any member of my household has a change in income greater than \$ 50 per month, I must report it to MHA no later than ten (10) days after the change occurs.
12. If, at any time, anyone in my household moves in or out, I must report it, within ten (10) days of the occurrence, to MHA.
13. Housing Assistance Payments will be made only for the months my/our household reside in the home. I/we must immediately report to MHA if I/we move from our home.
14. My/Our family (including each family member) must not participate in illegal drug or violent criminal activity.



Section 8 Statement of Homeownership

15. I/we may not sell, convey or transfer any interest in the home to any entity or person prior to informing MHA. Housing Assistance Payments will terminate with any sale, conveyance or transfer other than to a household member residing in the home.
16. I/We must provide information to MHA on any mortgage or other debt incurred to purchase the home, and any refinancing of such debt.
17. I/We must comply with the terms of any mortgage security debt incurred to purchase our home and any refinancing of such debt. I/We must immediately notify MHA of any defaults on mortgage debt incurred to purchase the home.
18. I/We understand and agree that I/we will attend pre- and post- purchase counseling and workshops as recommended by an agency designated by MHA. I/We understand and agree to an annual counseling session at my/our home.
19. In the event that my/our family is unable to make my/our monthly mortgage payment, I/we are required to immediately contact the homeownership counseling agency and MHA to determine available options.
20. I/We must promptly pay all utility bills, including electricity, heat and water.
21. I/We understand that I/we must maintain the property, both interior and exterior, and that I/we are responsible for all repairs and replacements that are needed.
22. I/We must document, in conjunction with our annual reexamination of income, that I/we are current on mortgage, insurance and utility payments.
23. I/We understand that I/we will immediately lose my/our Housing Assistance Program assistance if a judgment or foreclosure on my/our home is granted. My/Our family agrees to cooperate with the lender the housing counseling agency, and MHA so that the property is placed on the market for sale in order to avoid foreclosure. My/Our family further agrees to vacate the house in accordance with the lender's terms and in good condition.
24. If I/we default on my/our mortgage debt and lose my/our home, I/we will be able to use my/our Housing Assistance Payment for other rental housing, if so determined eligible by MHA.

I/WE UNDERSTAND THAT MY/OUR HOUSING ASSISTANCE MAY BE WITHHELD, RECOVERED OR TERMINATED FOR ANY VIOLATION OF THE TERMS AND CONDITIONS OF THIS STATEMENT OF HOMEOWNER OBLIGATIONS AND FAMILY RESPONSIBILITIES.

Homeowner's Signature

Homeowner's Signature

Date

Date



Section 8 Statement of Homeownership

Section 8 Manager's Signature

Executive Director of MHA

Date

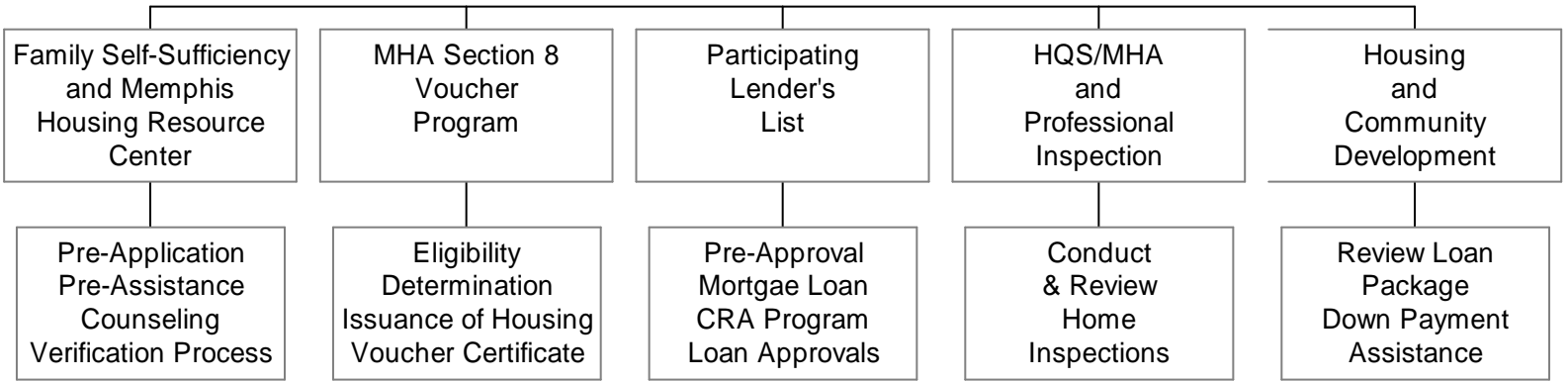
Date

APPENDIX B





SECTION 8 HOMEOWNERSHIP ASSISTANCE PROGRAM (SHAPE) Section 8 Statement of Homeownership FLOWCHART



APPENDIX C



**MEMORANDUM OF UNDERSTANDING BETWEEN
MEMPHIS HOUSING AUTHORITY AND RISE FOUNDATION**

This Memorandum of Understanding (“MOU”), effective upon its execution, is between the Memphis Housing Authority (the “Authority”) and the RISE (Responsibility, Initiative, Solutions, Empowerment) Foundation (“RISE”) for the purpose of providing greater homeownership opportunities in the city of Memphis, Tennessee.

ARTICLE I

RECITALS

WHEREAS, the Memphis Housing Authority has undertaken steps to implement a Section 8 Homeownership Program; and

WHEREAS, RISE, a non-profit organization, is dedicated to providing financial support and resources to Authority residents for the purpose of enabling them to become financially self-sufficient; and

WHEREAS, the Authority will provide homeownership opportunities by utilizing Section 8 rental assistance vouchers to assist eligible families to purchase existing single family homes or homes under construction; and

WHEREAS, eligible participants are: those that have a minimum family income of 25% of the median income in the Shelby County area and have been continuously employed for a minimum of two years; those that are currently enrolled in the Family Self-Sufficiency (FSS) Program or RISE Foundation; and, those that have participated and satisfactorily completed the pre-assistance homeownership and housing counseling program required by the Authority; and

WHEREAS, the Authority will implement the Homeownership Option in accordance with the Final Rule of September 12, 2000. The Final Rule was authorized



700 Adams Avenue
Memphis, TN 38105
Attn: Mr. Robert Lipscomb, Executive Director

If to RISE: RISE Foundation
1900 Union Avenue
Memphis, TN 38104
Attn: Ms. Beth Dixon, President

ASSIGNMENT This MOU shall not be assignable by the Authority or RISE.

INTERPRETATION AND GOVERNING LAW This MOU shall be construed as though prepared by both parties, and shall be interpreted and governed by the laws of the State of Tennessee.

SEVERABILITY If any portion of this MOU is declared to be invalid and unenforceable, such portion shall be deemed severed from this MOU and the remaining parts shall continue in force as though such invalid or unenforceable provision(s) had not been a part of this MOU, provided that such severance does not substantially affect the intention of the parties hereto.

PARTIES BOUND No officer, shareholder, partner, employee, agent, or other person authorized to act for and on behalf of any party shall be personally liable for any obligation express or implied, hereunder.

MODIFICATIONS This MOU may not be altered, modified, rescinded, or extended orally. This MOU may be amended, supplemented or changed only by a writing signed or authorized by or behalf of the party to be bound thereby.

IN WITNESS THEREOF, the Authority and the RISE have each duly executed, or caused to be duly executed, this MOU as of the date firstwritten below.

MEMPHIS HOUSING AUTHORITY

RISE FOUNDATION

Robert Lipscomb, Executive Director

Beth Dixon, President

Date

Date



**MEMORANDUM OF UNDERSTANDING BETWEEN MEMPHIS HOUSING AUTHORITY
AND MEMPHIS HOUSING RESOURCE CENTER**

This Memorandum of Understanding (“MOU”), effective upon its execution, is between the Memphis Housing Authority (the “Authority”) and the Memphis Housing Resource Center (the “Resource Center”) for the purpose of providing greater homeownership opportunities in the city of Memphis, Tennessee.

ARTICLE I

RECITALS

WHEREAS, the Memphis Housing Authority has undertaken steps to implement a Section 8 Home Ownership Program; and

WHEREAS, the Memphis Housing Resource Center will foster new homeownership in the city of Memphis, Tennessee by assisting people in understanding the complexities of buying, maintaining and retaining an affordable home; and

WHEREAS, Memphis Housing Resource Center is only allowed to charge a credit report fee not to exceed \$60; and

WHEREAS, the Authority will provide home ownership opportunities by utilizing Section 8 rental assistance vouchers to assist eligible families to purchase existing single family homes or homes under construction; and

WHEREAS, eligible participants are: those that have a minimum family income of 25% of the median income in the Shelby County area and have been continuously employed for a minimum of two years; those that are currently enrolled in the Family Self-Sufficiency (FSS) Program or RISE Foundation; and, those that have participated and satisfactorily completed the pre-assistance homeownership and housing counseling program required by the Authority; and



WHEREAS, the Authority will implement the Homeownership Option in accordance with the Final Rule of September 12, 2000. The Final Rule was authorized by Section 8(y) of the United States Housing Act of 1937, amended by Section 555 of the Quality Housing and Work Responsibility Act of 1998; and

WHEREAS, the implementation of the Section 8 Homeownership Program has been carefully evaluated by the Authority and the Resource Center and has been found to be in the best interest of all parties.

THEREFORE, this Memorandum of Understanding shall set forth the obligations and duties of the Memphis Housing Authority and the Memphis Housing Resource Center in the establishment of this initiative, and shall serve as a guideline for the successful implementation of the Section 8 Homeownership Program.

ARTICLE II

SCOPE OF AGREEMENT

This MOU shall constitute a non-binding agreement between the Authority and the Memphis Housing Resource Center.

First time homebuyers will satisfactorily complete the preassistance homeownership-counseling program, which will be facilitated by Memphis Housing Resource Center. This program may consist of a one on one or a classroom style approach with homebuyers. The Resource Center will be required to provide a minimum of 8– 10 hours of homebuyer education and training, and homebuyer prequalification to all program participants. The pre-assistance counseling program will cover the following subjects:

- Home maintenance
- Budgeting and money management
- Credit counseling
- How to obtain homeownership financing and loan preapprovals
- How to find a home and negotiate the sale price
- Information on Fair Housing
- Counseling will be adapted tot the families needs

Post program counseling will be offered at the discretion of the Authority based on individual family circumstances. In the event of mortgage payments being delinquent, the Resource Center will ascertain the circumstances that led to the default and develop a corrective strategy in conjunction with the participant, the FSS client services representative and/or an Authority homeownership program coordinator.

ARTICLE III

GENERAL PROVISIONS



RECITALS The recitals in Article I of this MOU are incorporated herein by reference as the agreement of the parties.

NOTICES All notices, request, demands, approvals, or other communications given hereunder or in connection with this MOU shall be in writing and shall be deemed given when delivered by hand, or sent by U.S. registered or certified mail, return receipt requested, and address as follows:

If to the Authority: Memphis Housing Authority
 700 Adams Avenue
 Memphis, TN 38105
 Attn: Mr. Robert Lipscomb, Executive Director

If to the Resource Center: Memphis Housing Resource Center
 1548 Poplar Avenue
 Building B
 Memphis, TN 38173
 Attn: Ms. Michelle Wilson Bradley, Executive Director

ASSIGNMENT This MOU shall not be assignable by the Authority or the Resource Center.

INTERPRETATION AND GOVERNING LAW This MOU shall be construed as though prepared by both parties, and shall be interpreted and governed by the laws of the State of Tennessee.

SEVERABILITY If any portion of this MOU is declared to be invalid and unenforceable, such portion shall be deemed severed from this MOU and the remaining parts shall continue in force as though such invalid or unenforceable provision(s) had not been a part of this MOU, provided that such severance does not substantially affect the intention of the parties hereto.

PARTIES BOUND No officer, shareholder, partner, employee, agent, or other person authorized to act for and on behalf of any party shall be personally liable for any obligation express or implied, hereunder.

MODIFICATIONS This MOU may not be altered, modified, rescinded, or extended orally. This MOU may be amended, supplemented or changed only by a writing signed or authorized by or behalf of the party to be bound thereby.

IN WITNESS THEREOF, the Authority and the Memphis Housing Resource Center have each duly executed, or caused to be duly executed, this MOU as of the date first written below.



MEMPHIS HOUSING AUTHORITY

**MEMPHIS HOUSING RESOURCE
CENTER**

Robert Lipscomb, Executive Director

**Michelle Wilson Bradley
Executive Director**

Date

Date

APPENDIX D





**MEMPHIS HOUSING AUTHORITY
BOARD OF COMMISSIONERS**

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901.766-4343 (Fax)
wstemmler@regionsbank.com

¹ Vatricia McKinney is a PHA Resident Commissioner. She resides in the Foote Homes Development.

Component 10 (B) Voluntary Conversion Initial Assessments

- a. **How many of the PHA's developments are subject to the Required Initial Assessments? 12**
- b. **How many of the PHA's developments are not subject to the Required Initial Assessments based on exemptions (e.g., elderly and/or disabled developments not general occupancy projects)? 11**
- c. **How many Assessments were conducted for the PHA's covered developments? 12**
- d. **Identify PHA developments that may be appropriate for conversion based on the Requires Initial Assessments? None**
- e. **If the PHA has not completed the Required Initial Assessments, describe the status of these assessments: N/A**

PUBLIC HOUSING: ECONOMIC SELF-RELIANCE AGREEMENT

The Self-Reliance Agreement (SRA) is a written agreement between property management and the public housing resident; identifying the self-reliance criteria a public housing resident must meet in order to occupy and continue to live in a public housing unit at a HOPE VI/Mixed-income community.

It is the policy of Memphis Housing Authority (MHA) to encourage and support all of its residents in their goal of becoming self-reliant. In instances where tenant assistance is needed and resources are available to obtain this goal, the Memphis Housing Authority will provide and/or coordinate appropriate programs/services to assist the resident in achieving self-reliance.

This ECONOMIC SELF-RELIANCE AGREEMENT ("Agreement") is entered into this _____ day of _____, _____ by and between _____ acting as an agent for the owner ("Landlord") and the undersigned Leaseholder ("Leaseholder"). This Agreement is hereby incorporated in and made part of the Residential Lease (the "Lease") entered into as of this date by and between the Leaseholder and the Landlord for Unit Number _____ located at _____ (the "Unit").

AUTHORITY:

Public housing authorities are permitted to create an admissions preference for working families and pursuant to 24 CFR §960.206(b)(2). Memphis Housing Authority ("MHA") has established this preference for public housing units developed under the Mixed-Finance/HOPE VI Program, and is requiring each applicant for these new units to sign this Self-Reliance Agreement Addendum.

PURPOSE OF THIS AGREEMENT

This agreement sets forth the pre-occupancy and continued occupancy criteria for tenants of public housing units at mixed-income developments.

DEFINITION OF WORK ACTIVITY

The following categories of activities shall qualify as work activity under this Agreement:

1. Unsubsidized employment; or
2. Subsidized private-sector employment; or
3. Subsidized public-sector employment.

DEFINITION OF EDUCATIONAL OR WORK-RELATED ACTIVITY

The following categories of activities shall qualify as Education or Work-Related Activity under this Agreement:

1. On-the-job training (full-time enrollment is 20 hours or more per week).
2. Vocational training (full-time enrollment is 20 hours or more per week).
3. Job-skills training directly related to employment (full-time enrollment is 20 hours or more per week).
4. Education at a community (junior) college or higher (full-time enrollment is 8 or more class hours per week).

Leaseholders are to be authorized to participate in Educational or Work-Related Activities on a full-time basis. If the Leaseholder is involved in any one of the above activities on a less than full-time basis as defined by each activity, he/she must also work at least 20 hours per week. Those enrolled in GED/ABE classes must work at least 20 hours per week. If any of the above activities are done in combination, the Leaseholder must be engaged for a combined total of no less than 30 hours per week to be exempt from a

work requirement. The combined total duration for all Educational and Work-Related Activities shall not exceed 24 months.

LEASEHOLDERS EXEMPTED FROM EMPLOYMENT CLAUSE OF THIS AGREEMENT

The following categories of leaseholders will be exempt from the employment requirement of this Agreement.

Leaseholders who are:

- A) 62 years of age or older;
- B) Blind or disabled (as defined under section 216(I)(I) or 1614 of the Social Security Act) and who are unable to comply with this section, or are primary caretakers of such individuals;

In order to claim status as an exempt person, the Leaseholder must:

- A) Request in writing from the Landlord, an exemption;
- B) Provide Landlord with third party verification that leaseholder is a member of an abovelisted exempt category.

Disabled Leaseholders under 62 who are employed less than 20 hours per week are required to perform 8 hours of community service per month as per MHA community service requirement. Disabled Leaseholders are required to provide documentation from a doctor that they are unable to perform any kind of community service in order to be exempt from this community service requirement.

The Landlord and Leaseholder agree to the following:

TERMS AND CONDITIONS OF PRE-OCCUPANCY AND CONTINUED OCCUPANCY

1. All Leaseholders of a HOPE VI/Mixed-income development, regardless of employment status, age, or disability, are required to participate in case management with the HOPE VI Case Management Provider. (Case Management Provider being defined as the HOPE VI sponsored case management and/or employment services provider).
2. Prior to signing the Lease, the non-exempt Leaseholder shall either (a) have been employed a minimum of 20 hours per week for at least 30 continuous days, or (b) have been both engaged in an Educational or Work-Related Activity and in compliance with an Family Action Plan for at least 30 continuous days. Employment is defined as a "Work Activity" as described above.
3. All Leaseholders not already enrolled must enroll in the HOPE VI sponsored case management program. (The provider of this program is hereby referred to as "Case Management Provider"). All Leaseholders must:
 - a. participate in a personal assessment process conducted by the Case Management Provider; and
 - b. collaborate with the case management provider to develop a Family Action Plan. The Family Action Plan will identify a set of specific goals, tasks and programs to be undertaken by the Leaseholder and will be based on the aforementioned assessment; and
 - c. adhere to the action strategies identified in the Family Action Plan, which may be revised or updated periodically; and
 - d. attend regular meetings with the Case Management Provider as scheduled during the term of the Family Action Plan and participate in activities prescribed by the Case Management Provider that are oriented toward the attainment and retention of employment.

4. To remain in occupancy, the Leaseholder shall either (a) remain employed for a minimum of 20 hours per week *and* be in compliance with his/her Family Action Plan; or (b) be engaged in Educational or Work-Related Activity *and* be in compliance with his/her Family Action Plan.

5. Change in Employment. The Leaseholder may only be employed for less than 20 hours per week for up to 90 cumulative days per year (unless the Leaseholder's Family Action Plan stipulates otherwise per engagement in an approved Educational or Work-Related Activity). Upon loss of job or reduction of hours, Leaseholder shall notify Landlord and Case Manager of loss or reduction of employment within 10 days. Upon such notification to Landlord, the 90-day clock begins.
 - a) In any one-year period, if after 90 cumulative days of employment of less than 20 hours per week (where Leaseholder is not involved in an Educational or Work-Related Activity as stipulated in the Family Action Plan), the Leaseholder is not in compliance with his/her Family Action Plan. As of the 91st day, Leaseholder will be deemed to be in non-compliance with the Lease and Landlord will send the Leaseholder a notice of termination proceedings in accordance with the Lease. Additional information regarding the termination proceedings may be found in the Admissions and Continued Occupancy Plan located in the management office at the development. In this circumstance, the Leaseholder may request a single, 30-day extension from the Landlord. This 30-day extension will only be granted if the Leaseholder can demonstrate to the Landlord that there are extenuating circumstances for (1) continuing to work less than 20 hours per week beyond 90 days or (2) continuing the Education or Work-Related Activity beyond the 24-month cap. If the 30-day extension is not granted, the Landlord will continue with the eviction proceedings.

 - b) The Leaseholder is not in compliance with this Agreement, Leaseholder will be evicted.

6. If any part of this Self-Reliance Agreement is in conflict with the terms of the Residential Lease Agreement, the terms of Lease shall prevail.

7. To be eligible for occupancy of a public housing unit at a HOPE VI/Mixed Finance site, the resident understands and agrees that the right of return is subject to compliance with the Lease, Quality Housing Work and Responsibility Act (QHWRA) requirements, federal, state or local rules, regulations, laws or policies inclusive of, but not limited to the following:
 - a. Past performance in meeting financial obligations, especially rent/excess utilities;
 - b. A record of disturbance of neighbors, destruction of property (including a finding that the resident has contributed to a fire within a unit), conduct that adversely affects the health, safety or welfare of other residents, or cause damage to the unit or development;
 - c. Involvement in criminal activity on the part of the above resident's family member that would adversely affect the health, safety or welfare of other tenants;
 - d. A record of eviction from housing or termination from residential programs (considering relevant circumstances);
 - e. A resident's ability and willingness to comply with the terms of the MHA lease;
 - f. A resident's misrepresentation of any information related to eligibility, award of preference for admission, allowances, family composition or rent;
 - g. A record or history of inability to meet reasonable housekeeping standards or prior lease violations related to housekeeping;
 - h. In the case of properties with tenant-paid utilities, the ability of the resident to get utilities turned on in the name of the head of household (**Will require a utility verification**);

- i. The resident's employment status, record of community/volunteer services; engagement in a work-related activity, participation in a self-reliance or other educational program unless otherwise limited by virtue of age, medical condition or disability.
8. Notwithstanding the foregoing, Memphis Housing Authority at its discretion, reserves the right to revise, modify, suspend provisions of this agreement, if in its judgment unforeseen circumstances arise which necessitate said action. Exceptions or waivers will be considered and/or reviewed, by the MHA Interdisciplinary Review Committee (IRC), upon written request from the tenant to the property management office.

BY SIGNATURE, THE LEASEHOLDER AND LANDLORD AGREE TO THE REQUIREMENTS OF THIS ECONOMIC SELF-RELIANCE AGREEMENT.

LEASEHOLDER:

LANDLORD:

By: _____

By: _____

Name: _____

Name: _____

Date: _____

Title: _____

Date: _____

1 MEMPHIS HOUSING AUTHORITY
 2
 3 PUBLIC HEARING
 4
 5 ANNUAL AND FIVE-YEAR PLAN
 6
 7 FEBRUARY 24, 2005
 8
 9:00 A.M.

9
 10 MEMPHIS HOUSING AUTHORITY
 11 700 Adams Avenue
 12 Memphis, Tennessee 38105
 13

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 15
 16
 17
 18
 19
 20 BOARD:
 21 DR. ELMA MARDIS
 22 VATRINA MCKINNEY
 23 WILLIAM STRAULER
 24 JAMES MACLIN, JR.

1 APPEARANCES
 2
 3 SPEAKERS:
 4 ROLAND MCELRATH
 5 MARTIN BOSACCY
 6 GREGORY PERRY
 7 ALSO PRESENT:
 8 YVETTE CAMEL-SMITH
 9 JACQUELINE PARTEE
 10 ROBERT KURTZ
 11 MOLLY JONES
 12 SANDRA MAYS
 13 BILL MORAN
 14 WILLIAM WEBB
 15 TERRICE WATSON
 16 LURETHA PHILLIPS

17 LOUIS RALPH
18 GRACE STEPTER
19 PRENTIS TAYLOR
20 MAIRI ALBERTSON
21 BARBARA DEANS
22 VICKEE ALDRIDGE
23 DON CAMPBELL
24 TONY OLDEN

3

1 PUBLIC HEARING
2 (9:00 a.m.)

3 MR. MC ELRATH: Good morning. I am
4 Roland McElrath. I would like to welcome you on
5 behalf of our Executive Director, Robert Lipscomb,
6 and the Members of the MHA Board to our Public
7 Hearing for our Annual Planning, which is a
8 Five-Year Plan.

9 And I am really delighted that each of
10 you came out this morning to participate in the
11 planning process for the future of the Memphis
12 Housing Authority.

13 Can you heard me? Is the mike on?

14 THE AUDIENCE: Yes.

15 MR. MC ELRATH: We will begin the session
16 by just reviewing the vision and the mission of MHA.
17 Our vision is to become a national model in
18 community revitalization. And the long-term mission
19 of the Agency is to provide community revitalization
20 through a seamless system of supportive services,
21 affordable housing, and new business developments.

22 HUD has established four key specific
23 goals for local housing authority. And they ask us
24 to support these goals using the Federal funds that

4

1 they provide to us.

2 Those goals include increasing the
3 availability of decent, safe, and affordable
4 housing; improving community quality of life and
5 economic vitality; promoting self-sufficiency and
6 asset development of families and individuals; and
7 ensuring Equal Opportunity in housing for all
8 Americans.

9 And in order to support these goals,
10 these HUD's particular goals in housing, the Memphis
11 Housing Authority has developed a number of goals
12 that it will strive to achieve over the next five
13 years.

14 And those goals include: Replacing
15 obsolete public housing, providing housing for

16 current relocated residents, retaining mobility
17 counselors to train residents who have relocated,
18 renovation of viable family housing, and identifying
19 the senior/disabled developments. And in some
20 cases, we will even develop senior only
21 developments.

22 And we are using the vacancy rates
23 which is established by the agency, retaining the
24 site-based professional management which relates

5

1 primarily to our HOPE VI-V and coordinating case
2 management for our residents is another goal or
3 objective that we have, and providing increased job
4 opportunities for our residents.

5 And another key goal is promoting
6 self-sufficiency of our residents. And then,
7 finally the acquisition of additional sites either
8 by purchasing those sites or using some of HUD's
9 methods that allow us to acquire these developments.

10 Our housing needs are documented and
11 established by the waiting list that we have in
12 place.

13 For our Section 8 Program, we have a
14 waiting list of 3,755 families. And for our public
15 housing, we have a waiting list of 6,192.

16 We will begin and continue to address
17 these issues by carrying out our goals and
18 strategies that I just reviewed with you earlier.

19 The financial resources that we have
20 got, we anticipate over and including \$100,000,000
21 in resources through federal grants, rental income
22 or other non-federal sources to actually carry out
23 the objectives that we have established. And those
24 are -- the details of those resources are actually

6

1 detailed in the Annual Planning Pages.

2 At this time, I would like to turn it
3 over to Martin Boscaccy.

4 MR. BOSACCY: As I said last year, MHA
5 will engage in activities that will contribute to
6 the long-term asset management of the public housing
7 stock. And we are going to meet the long-term
8 operating --

9 AUDIENCE MEMBER: Slow down.

10 MR. BOSACCY: -- and the long operating
11 capital investment, rehabilitation, modernization,
12 disposition, and other needs.

13 Some of the activities that will be
14 included will be private management. And we are

15 going to also acquire developments.
16 Capital Improvements, basically, we are
17 going to tell you what we are going to be doing in
18 the up-coming year on the developments.
19 Lamar Terrace, there will be a
20 demolition of 478 dwelling units. We are going to
21 submit -- we have submitted a disposition of
22 applications to HUD. We are going to initiate 391
23 replacement housing units. There is also going to
24 be an elderly housing unit at Lamar Terrace, which

7

1 will be designated as elderly only.
2 Dixie Homes --
3 AUDIENCE MEMBER: Foote Homes.
4 MR. BOSACCAY: The Foote Homes, there
5 will be a completion of security enhancements. We
6 also talked to you about the development regarding a
7 laundromat or if not a laundromat, washers and
8 dryers for each one of the individual units.
9 Dixie Homes, Dixie Homes, there will be
10 site improvements. We are going to do a application
11 for demolition of units at 1011 Mosby. And it is
12 also a submittal of an application for fire damaged
13 buildings and the remainder of the site. That will
14 be the next development that we will have major work
15 on.
16 Oates Manor, Oates Manor will have a
17 complete demolition of 166 dwelling units. If you
18 go out to Oates Manor now, you will see that that
19 demolition has already occurred. It's basically
20 ground by now. Demolition has occurred.
21 Also, we are going to be working with
22 the Memphis City School System. And we are going
23 to, pending HUD's approval of the land disposition,
24 we are going to give some of that land to the

8

1 Memphis City School System. And then, we are going
2 to have future affordable housing construction
3 within that particular area called "New Chicago" and
4 the surrounding area.
5 I will introduce Gregory Perry now.
6 MR. PERRY: Cleaborn Homes, Tennessee 1-8,
7 we are going to repair 12 vacant severely damaged
8 units. There will be the demotion of a fire damaged
9 unit at 580 Brown Mall. And there will be site
10 improvements, that are occurring and on-going now.
11 There will also be a completion of security
12 enhancements, which will include cameras. And we
13 are also looking at the laundromat.

14 As you know, in Cleaborn Homes, there
15 are some developments of single-family dwelling
16 units. And that's, approximately, 25 units. And
17 with those units, it's going to be used for
18 transitional housing units. And those units will
19 be, basically, individuals who plan to acquire a
20 house, home ownership within 12 to 36 months.

21 We are also planning for additional
22 single-family homes' construction south of Georgia
23 Avenue. And also at Cleaborn Homes, we are looking
24 at the possibility, the possibility of a playground.

9

1 Fowler Homes, Fowler Homes, we are
2 starting to enter into a partnership with Wesley
3 Housing Corporation for the construction of,
4 approximately, 80 units. And these units will be
5 senior units only, designated as such.

6 We are also going to invest in 40 ACC
7 units, 24 single-family units, and 4 quadraplex
8 buildings.

9 As you can see, our Fowler homes,
10 basically, demolition has occurred. And it's just a
11 site right now, if you drive by.

12 Barry Towers, as you can see, Barry
13 Towers has the exterior upgrade and has, basically,
14 completed the punch list items that's outstanding.
15 If you notice, it looks very lovely on the skyline.
16 And it's one of the most beautiful buildings there
17 in that vicinity.

18 Our fencing will be around also Barry
19 Towers. And we are also going to have security
20 cameras.

21 Venson Center, Venson Center, again,
22 security cameras and ornamental awning.

23 Graves Manor, we are going to dispose
24 of Graves Manor. And it will be by public bid.

10

1 Montgomery Plaza, there will be a repair
2 of the damaged units. We are going to have a
3 feasibility study for fencing and a possible
4 playground upgrade at Montgomery Plaza.

5 Borda Tower, there will be fencing and
6 security cameras.

7 Ford Road, we are going to submit an
8 application for Low Income Housing Tax Credit. And
9 also, we are going to revise the disposition plan at
10 Ford Road, which has already been approved. And
11 that will be revised.

12 Texas Courts, the Texas Courts is going

13 to submit an application for disposition.
14 College Park Senior, as you know,
15 College Park has been completed. And we are going
16 to submit an update for elderly designation for a
17 senior building of public housing for seniors. And
18 we are going to ask that that designation be
19 continued, which means that you have to be 62 or
20 older to reside there in the elderly housing at
21 College Park.
22 Alabama Plaza, at Alabama Plaza, we are
23 going to complete our security enhancements, meaning
24 we are going to install cameras throughout the

11

1 development.
2 Agnes Place, we are going to submit an
3 operating subsidy-only application at that
4 particular site.
5 HOPE VI Projects, as you know, there
6 are a lot of activities in downtown. And largely,
7 that is because of the HOPE VI Project which we
8 have. We have a College Park Redevelopment Project,
9 an Upton Redevelopment Project, which includes
10 Greenlaw Place Apartments, Uptown Square Apartments,
11 Metropolitan Apartments. And we also have scattered
12 site rentals. And we also have neighborhood homes
13 that are in development within the vicinity. And we
14 have a University Place Redevelopment Project, also.
15 Home Ownership Programs, as you know,
16 we have a problem with advertisement in College
17 Park. There were available homes to be purchased by
18 qualified applicants. And it's my understanding now
19 that all of these homes have, in fact, been
20 purchased and contracted for sale on all of the
21 homes at College Park.
22 Uptown Home Ownership, Uptown is also
23 going to have a home ownership program. And
24 basically, the home ownership program provides for

12

1 -- it's going to be for first-time home buyer
2 provision. Applicants' income must not exceed 80%.
3 Down payment assistance will be available for
4 qualified applicants through the City of Memphis and
5 the HOPE VI Program.
6 Also, for the public housing
7 residents, if you are in the RISE Program or either
8 in the Save-Up Program for matching funds, where if
9 you have an account, the RISE Foundation will match.
10 And you must complete certain classes, home
11 ownership classes, etcetera.

12 Section 8, also, has a home ownership
13 program. The Section 8 Program, the individual can
14 convert their rental voucher into a mortgage
15 assistance voucher. You must be a Housing Voucher
16 Holder. You must be employed for one year. If you
17 are disabled, that is waived.

18 Your household income must be at least
19 \$14,100. And for the individuals who are disabled,
20 the income must be \$10,500. Again, you must
21 complete a Home Ownership Counseling Class.

22 The Housing Authority is more than
23 bricks and mortar. We have community services'
24 programs. As you can see, we have programs and

13

1 services offered to our residents. We have case
2 management. And we have a family sufficiency
3 program. And currently, we have 60 public housing
4 participants and 67 Section 8 participants.

5 Safety and Security, the Housing
6 Authority will continue to provide our residents
7 with a safe dwelling place and surrounding premises.
8 But, we are going to do that through technology. We
9 are going to use cameras, fencing, gating, and card
10 access to achieve better security.

11 Also, the Memphis Police Department has
12 established many precincts and neighborhood watches
13 for our residents. Our security is now
14 concentrating on the monitoring of criminal
15 activities and also lease infractions and
16 violations.

17 Major policy changes, the Housing
18 Authority is governed by the ACOT (phonetic), which
19 is the Emission and Eligibility and Acquisition
20 Policy. There are going to be some changes to the
21 ACOT.

22 The first notable change on,
23 approximately, Page 9 is the zero income
24 determination, which is currently every 30 days,

14

1 will change to every 90 days.

2 There have been some changes in the
3 local preference for non-revitalized developments as
4 well as revitalized developments.

5 Another major, major change in the ACOT
6 is what we call a transitional housing transfer.
7 Earlier, I mentioned to you about the houses which
8 we have been building at Cleaborn Homes, those
9 single-family dwelling units, which are going to be
10 called transitional housing units, those units will

11 be houses which current residents will be allowed to
12 transfer to, if they meet certain qualifications.

13 And a transitional housing transfer
14 sets out those qualifications in the ACOT, which has
15 been amended to include the transitional housing
16 transfer.

17 Another change of the section that adds
18 to the ACOT is the Upfront Income Verification. The
19 Upfront Income Verification is simply a process
20 where HUD provides the Housing Authority with all of
21 your income information prior to the time that you
22 are being re-certified by the Authority.

23 Therefore, once you come to be
24 re-certified by the Authority, they have all of your

15

1 income information before them. And basically, you
2 are only just verifying the information.

3 That reschedule each year, the Housing
4 Authority makes changes in a flat rent schedule.
5 And so, that schedule changed this year. So, the
6 changes are updated in the ACOT.

7 The next major change is
8 Self-Sufficiency Policy. Again, in the Housing
9 Authority, one of the goals, is to move towards
10 self-sufficiency. In order to do that, there is a
11 Self-Sufficiency Policy that has been established in
12 the ACOT for public housing residents for non-mixed
13 finance and revitalized units. For the mixed
14 finance and revitalized units, there is already a
15 Self-Sufficiency Policy which is in place.

16 The Housing Authority is now moving to
17 have a Self-Sufficiency Policy for all of its
18 residents.

19 The next major change is the
20 Application Section. And that is just a basic
21 section which states that the ACOT will be
22 applicable to all mixed finance and HOPE VI public
23 housing units. Therefore, the mixed finance and the
24 HOPE VI Units, we will utilize the public housing

16

1 agreement in the ACOT.

2 The definitions, there are a few
3 changes in the definition in the ACOT, also.

4 Lease Agreements, in the Lease
5 Agreements, we added what we called a "Self-Reliance
6 Obligation". We simply mean that if you sign a
7 Self-Reliance Agreement and breach or break that
8 agreement, your lease will be attributed to the
9 violation of the lease and may be terminated. And

10 also, any typographical corrections which were made
11 in the Lease Agreement.

12 The Grievance Procedure, there is no
13 change in the Grievance Procedure.

14 Pet Policy, no change in your Pet
15 Policy.

16 Again, we have set out for use the
17 Self-Sufficiency Policy, which is in the ACOT. And
18 basically, it states that it is the policy of the
19 Housing Authority to support and encourage residents
20 to become self-sufficient. We are more than bricks
21 and mortar. So, therefore, we try to provide you
22 with the assistance to become self-sufficient. And
23 we will take all actions necessary to provide you
24 with the necessary assistance to become

17

1 self-sufficient.

2 Again, there is already, as I said, in
3 place a Self-Sufficiency Policy for mixed finance
4 and HOPE VI developments.

5 Civil Rights Certification is a section
6 in the five-year plan which talks about Civil Rights
7 Certifications. And we are in compliance with the
8 regulations regarding Civil Rights.

9 We have received the comments. And as
10 you know, we have met with the residents regarding
11 the five-year plan. They have made certain
12 comments. We have received and addressed those
13 comments in the five-year plan.

14 And also, consistent with the
15 Consolidated Plan, we have taken the necessary steps
16 to ensure that we are consistent with the
17 Consolidated Plan.

18 At this time, are there any questions
19 or comments? Anyone? Doctor Mardis?

20 DR. MARDIS: Are we still intending to
21 work jointly with Cojeck (phonetic)?

22 AN UNIDENTIFIED MAN: Other than the sale
23 of the property, we are not going to be doing
24 anything with Cojeck. The original intent was to

18

1 co-develop this scatter site housing. And they have
2 decided to do that on their own.

3 MR. PERRY: Any other comments regarding
4 the five-year plan that the staff needs to address?

5 DR. MARDIS: I will just prefer to go to
6 the individual departments and ask questions. I
7 have no other questions.

8 MR. PERRY: No more questions.

9 And that concludes the Public Hearing.
10 (WHEREUPON, THE PUBLIC
11 HEARING WAS CONCLUDED.)
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1 CERTIFICATE
2 STATE OF TENNESSEE:
3 COUNTY OF SHELBY:
4 I, FRENETTA E. HURD, Court Reporter,
Shelby County, Tennessee, CERTIFY:
5
6 The foregoing proceedings were taken
7 before me at the time and place stated in the
8 foregoing styled cause with the appearances as
9 noted.
10 Being a Court, Reporter, I then
11 reported the proceedings in Stenotype, and the
12 foregoing pages contain a true and correct
13 transcript of my said Stenotype notes then and there
14 taken.
15 I am not in the employ of and am not
16 related to any of the parties or their counsel, and
17 I have no interest in the matter involved.
18 I further certify that in order for
19 this document to be considered a true and correct
20 copy, it must bear my original signature and that
any reproduction in whole or in part of this
document is not authorized and not to be considered
authentic.
Witness my signature, this the
_____ day of _____, 2005.

FRENETTA E. HURD
Court Reporter
Notary Public at Large

21 For the State of Tennessee
22 My Commission Expires:
23 _____
24 Notary Public

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ADMINISTRATIVE PLAN
FOR THE HOUSING CHOICE VOUCHER PROGRAM
OF
The Memphis Housing Authority

Updated: March 2005

Prepared by:

Quadel Consulting Corporation
1250 Eye Street, NW, Suite 330
Washington, DC 20005

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I. Introduction

The purpose of the Administrative Plan is to establish policies for the Housing Choice Voucher Program.

The Memphis Housing Authority Board, upon recommendation by MHA, will approve changes to the Plan. MHA is responsible for complying with all subsequent changes in HUD regulations pertaining to the programs administered by MHA. If such changes conflict with this Plan, HUD regulations will have precedence.

The policies set forth in this Plan are based on current regulations in effect. If there are conflicts between this Plan and language in an owner's Housing Assistance Payments contract, the language in the HAP contract will prevail.

II. Statement of Program Approach and Objectives

MHA administers the Housing Choice Voucher Program in the city of Memphis and Shelby County, Tennessee. The primary objective of MHA's programs is to provide decent, safe, sanitary and affordable rental housing for low income households and to provide these households with housing choices and the opportunity to move outside areas with a concentration of low income households.

III. Fair Housing and Nondiscrimination Policy

MHA affirmatively furthers Fair Housing in the administration of the program by complying fully with all federal, state and local nondiscrimination laws and administers programs in accordance with the rules and regulations governing Fair Housing and Equal Opportunities in housing and employment. MHA does not discriminate against any applicant or participant because of race, color, creed, national or ethnic origin or ancestry, religion, sex, age, disability, source of income, marital status or presence of children in a household; nor will any criteria be applied, or information be considered, pertaining to attributes or behavior that may be imputed by some to a particular group or category. MHA does not deny to any family the opportunity to apply for housing (when the waiting list is open) or deny any eligible applicant the opportunity to lease a housing unit that meets program requirements.

MHA is fully committed to providing reasonable accommodations to applicants and participants with handicaps and/or disabilities.

MHA provides Voucher holders information on federal, state and local laws regarding housing discrimination and any recourse available. Such information will be made available as part of the briefing session, and all applicable Fair Housing Information and Discrimination complaint forms will be made part of the Voucher holders' packet. MHA will provide referrals and information to applicants and participants about local organizations that provide assistance in filing discrimination complaints.

IV. Description of Program

Housing Choice Vouchers provide subsidies to low income persons and freedom of choice to enable them to rent affordable, decent, safe and sanitary housing in the private rental market. In order to receive assistance in a particular unit, the family, owner and unit must meet the requirements established by HUD regulation and those specified in this Plan.

V. Homeless Set-Aside Program

In response to local needs, MHA may set-aside twenty-five Housing Choice Vouchers annually to be used by homeless families who are referred by an approved local service provider. Eligible families must be referred to MHA directly by the approved service provider, have successfully completed an approved transitional housing program and committed to receiving on-going, stabilizing supportive services. MHA will not accept applications for this program directly from homeless individuals. Preferences for the set-aside vouchers will be given to families who have completed a Tenant-Based Rental Assistance (TBRA) program funded by City of Memphis Department of Housing and Community Development (HCD) Department

VI. General Administration

A. Program Outreach

Outreach to Families

MHA reserves the right to open or close the waiting list based on the supply of applicants. The waiting list will be closed when there are not enough Housing Choice Voucher subsidies to assist all the applicants in a reasonable period of time, such as one or two years. When MHA determines that additional applicants are needed, the waiting list will be opened and a public advertisement and notice will be posted.

To reach people from all backgrounds, MHA will advertise through a wide variety of sources including local and State newspapers, minority media, minority civic clubs, places of worship, service agencies and broadcast media. An effort will also be made to notify elected officials, government agencies and agencies which specifically address the needs of individuals with disabilities. MHA will continuously monitor and evaluate outreach activities to ensure that the widest possible audience is reached.

All notices and advertisements announcing the opening of the waiting list will include:

- The dates the list will be open;
- The office hours and location where applications are available and will be accepted;
- The availability of Housing Choice Vouchers;
- Eligibility guidelines;
- Preferences and methodology for the selection of applicants; and
- Any limitations which may apply.

Homeless Set-Aside Program

In addition to the sources listed above, specific eligibility information regarding the Homeless set-aside program will be made available to all local service providers when vouchers are set-aside.

Outreach to Property Owners

Outreach to property owners will be conducted on an ongoing basis to develop interest in the program and to increase the number of units available in low-poverty areas. MHA will notify and provide program information to local realtors, agents, apartment associations and any interested landlords. MHA staff will be available to make presentations about the Housing Choice Voucher Program to these groups. In addition, printed materials that describe the program requirements and opportunities for property owners will be made available. MHA maintains a list of interested property owners and units available for the Housing Choice Voucher Program. As inquiries from prospective new property owners are received, staff records the necessary information about units and makes it available to prospective tenants upon request.

MHA will make a concerted effort to contact and encourage local property owners with units specially designed or adapted for persons with disabilities, and those who may be willing to adapt units, to participate in the program. Notices shall be sent to landlords presently participating, landlords that have participated in the past, local real estate agencies and to local social service agencies that specifically address the needs of handicapped clientele.

Whenever a local property owner makes a unit available for the program, MHA shall inquire as to whether the unit is handicap accessible and the extent of accessibility.

B. Pre-application and Application

MHA will accept pre-applications for the Housing Choice Voucher Program when the waiting list is open. The waiting list will be open for a specified time-period (no less than two weeks) which will be listed on any advertisement or notification of MHA's open waiting list. Completed pre-applications must be submitted to the **Memphis Housing Authority at a specifically identified post office box or address**. The date of application is the date the application is postmarked. Only those pre-applications postmarked during the time-period specified by MHA will be accepted as eligible pre-applications.

MHA will not deny anyone the right to submit a pre-application when the waiting list is open. Accommodations will be made for interested, disabled applicants. All applicant households will be offered the opportunity to apply for public housing, if the waiting list is open.

MHA will review all pre-applications submitted to determine whether the applicant household is obviously ineligible, and whether the pre-application is fully complete. All fully complete pre-applications submitted by persons who are not obviously ineligible, will be placed on a list which will be used to create the waiting list for assistance. Duplicate applications will be removed, so that each applicant has only one opportunity to be selected in the lottery. Applicants who have not completed their applications will not be placed on the list for selection in the lottery.

Applicants who submit pre-application forms postmarked after the closing date for submission will not be placed on the list for selection in the lottery.

Any applicant, who will not have an opportunity to be selected in the lottery (as described above), will be sent a written notice explaining this and the reason why their application will not be part of the lottery.

Once the list of all applicants has been created, families will be selected for the waiting list based upon a computerized random selection process (lottery). The waiting list will consist of the pre-determined number of families to be selected, in order based upon the random selection sequence of their applications. Lottery numbers will be assigned based on the sequential order and as assistance is available. Families will be selected from the waiting list in numeric order, based on a family's assigned sequential number. When a family is selected from the waiting list, the family will be required to submit a full application and documentation 60 days prior to the availability of housing assistance to determine eligibility. The information on the application will be verified by MHA.

At the time families are invited to complete a full application form, information provided will be verified by MHA, based on the criteria described in Section IV. C. of this Plan. Families that do not meet the income limits or do not provide the appropriate information will be determined ineligible.

C. Determination of Eligibility

Eligibility Criteria

In order to receive housing assistance, the applicant must meet the following eligibility criteria:

1. Provide Social Security Number or Certify To Not Having One

Prior to admission, families are required to provide Social Security Numbers and documentation for all members age six (6) and older. Family members, who cannot provide a Social Security Number, must certify that they do not have one. (Guardians or another adult must certify for children under the age of 18)

2. Income Targeting to Extremely Low Income Families

In accordance with law passed by Congress in 1998, beginning in FY1999 and in each MHA fiscal year thereafter, not less than 75 percent of new admissions to the Housing Choice Voucher Program must have incomes at or below 30 percent of the median income for the Memphis MSA. MHA will monitor the new admissions on a quarterly basis to verify that this requirement is achieved and, if warranted, adjust the selection of new admissions to ensure compliance. In order to comply with the law, MHA may be required to skip over a higher income applicant on the waiting list in order to assist an applicant of extremely low income. If an applicant is skipped over, they will retain their original lottery number and be the first applicant offered an opportunity for assistance after the extremely low-income targeting requirement has been met.

3. Income Limits

For the Housing Choice Voucher program, at the time of admission, a family's annual income must not exceed the Very Low Income Limit published in the Federal Register for the Memphis Metropolitan Statistical Area.

Under limited circumstances, HUD rules allow admission of low-income families. These limited circumstances include:

- When a family qualifies as continuously assisted under the 1937 Housing Act. Families are considered to be continuously assisted if they were previously assisted in subsidized housing under the 1937 Housing Act within 90 days prior to issuance of a Voucher (e.g., in Public Housing);
- When a family is physically displaced by rental rehabilitation activity;
- When a non-purchasing household resides in a HOPE 1 (public and Indian homeownership) or HOPE 2 (multifamily homeownership) project;

- When a non-purchasing household resides in a HUD assisted multifamily project subject to a resident homeownership program under the Code of Federal Regulations Title 24 part 248.173; or
- When a family is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract.

Need for Assistance

Housing Choice Vouchers. Thirty percent (30%) of the family's monthly adjusted income may not equal or exceed the Payment Standard for the unit size the family has been assigned by MHA using the standards described in this Plan.

Required Citizenship or Eligible Immigration Status

Every member of the applicant or tenant household must submit the required documentation. For family members claiming citizenship, the only requirement is to sign a declaration of citizenship. For family members claiming eligible immigration status, HUD requires that the family members sign a declaration of eligible immigration status and provide an original of the appropriate INS documentation. MHA will review the original document, copy it and retain a copy in the applicant/tenant file.

All adults in the household claiming eligible status must sign a verification consent form. The head of household must sign declarations on behalf of minors. MHA will then independently verify this status with INS. (See IV. AA. for more detailed information.)

Criminal Background Checks and Denial/Termination of Assistance

MHA conducts a criminal background check on all applicant family members 17 years of age and older. MHA will deny admission to any applicant household with one or more members who, within the five years preceding consideration for admission, has been evicted from federally assisted housing for drug-related criminal activity.

MHA also will deny admission and may terminate assistance at any time under the following circumstances:

1. Any household member has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing. The premise is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.
2. Any household member has been convicted of other drug-related or violent criminal activity within the past two years.
3. Any household member is subject to a lifetime registration requirement under a State sex-offender registration program in the state where the housing is located and in other states where the household member is known to have lived.

4. MHA has reasonable cause to believe that a household member's use of illegal drugs or alcohol abuse may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity.
5. MHA has reasonable cause to believe that a household member has engaged, within the past two years, in any other criminal activity that may threaten the health or safety of the owner, property management staff or MHA employees or their contractors and agents.

MHA will use the date that the applicant completed any related sentence to evaluate eligibility. The applicant must have completed serving any related sentence, including applicable parole or probation period, two years prior to admission.

In determining whether to deny or terminate assistance, MHA may take such action if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested or convicted.

Extenuating circumstances, such as current or past participation in a rehab program, will be considered before final withdrawal of the applicant or termination of assistance. If MHA uses a criminal record report as the basis to deny or terminate assistance, MHA will provide the applicant/tenant with a copy of the criminal record, if requested, and give the family an opportunity to dispute the record.

Homeless Set-Aside Program

Families admitted into the Homeless Set-Aside program must meet all regular admissions and eligibility criteria.

Subsidy Standards

The following standards are used for assignment of the appropriate bedroom size on the Voucher.

Number of Bedrooms	Number of Persons	
	<u>Min</u>	<u>Max</u>
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	5	10
6	6	12

The intent of HUD requirements is that the smallest appropriate bedroom size be assigned to participant families without overcrowding. MHA does not limit or restrict which family members may share bedrooms. However, as required by HUD, when determining unit size, MHA will attempt to meet HUD’s intent and apply the following guidelines:

1. Adults of the opposite sex (other than spouses or cohabitants), and unrelated adults may occupy separate bedrooms.
2. Two minor children of the same sex, regardless of age difference, are required to share one bedroom. Children under the age of three may not be awarded their own bedroom except in cases involving a reasonable accommodation
3. Minor children of the opposite sex may occupy separate bedrooms.
4. Unborn children will be included in the size of the household.
5. A minor child, who is temporarily away from the home because of placement in foster care, is considered a member of the family in determining the family unit size.
6. MHA approves live-in aides to reside in the unit and be provided a separate bedroom as a reasonable accommodation for a family consisting of one or more elderly or disabled persons. However, MHA may deny or withdraw such approval at any time if the live-in aide: (1) commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program; (2) fails to pass a criminal background check for drug-related or violent criminal activity, or; (3) owes rent or other amounts to MHA or another

PHA in connection with the Housing Choice Voucher Program or public housing assistance under the 1937 Act. Only one bedroom will be awarded for the live-in aide and any family members of the live-in aide.

7. Space will be provided for a family member who is away at school but who lives with the family during school recesses.
8. MHA may assign a larger unit than permitted, using the above standards, if an individual with a handicap and/or a medical need requests a reasonable accommodation and provides documentation of need from a physician.
9. Families will not be required to use rooms other than bedrooms for sleeping purposes in the Voucher size determination.

Families may choose to rent larger or smaller units than listed on the Voucher as long as the rent reasonableness and Housing Quality Standards (HQS) requirements are met. However the subsidy will always be based upon the smallest of the size unit rented, or the unit size listed on the family's voucher.

HQS requirements permit a maximum of two persons per living or sleeping room in the units.

D. Selection from the Waiting List

General Waiting List Order

Applicants are placed on the waiting list in sequential, numeric order as determined in the randomly assigned method described in Section IV. B of this plan.

The waiting list is generally closed with the exception of the open applications periods that will be publicly advertised. The list remains open for persons qualifying for the preference for public housing resident described below.

MHA Public Housing Resident Preference

MHA will give preference in admission to MHA public housing residents who are required to relocate due to one of the following conditions:

- As a resident of public housing, the family is living in a unit that has been identified as hazardous to the family because the family has one or more children under the age of six with an Environmental Intervention Blood Lead Level, as defined by 24 CFR Part 35; or, there is a presence of other serious environmental hazards that affect the family's health or safety. The preference may be given if there are no lead-free units available in any other public housing development.
- Families (including single persons) who are currently residing in public housing units and who will be displaced by demolition, disposition, rehabilitation, or vacancy consolidation

Families applying for assistance will be provided with a description of the Public Housing Resident Preference. They will also be required to provide verification from the MHA Occupancy Department. Before an applicant can receive a voucher, MHA must have verified the preferences claimed. If no verification is provided by the MHA Occupancy Department, the applicant will be returned to the waiting list.

Waiting List Update

It is the primary responsibility of each applicant to ensure that MHA has the most recent and current information in order to be contacted when either the applicant's name nears the top of the list or when MHA performs a waiting list update. Under limited circumstances, MHA will approve reinstatement of a withdrawn applicant for one of the following reasons:

1. The applicant submitted a change of address to MHA prior to the notice being mailed by MHA and the information did not get updated in the waiting list database;
2. During the time of any waiting list update or, at the time of notification for an interview, the applicant could not respond. For example, the applicant was incapacitated due to hospitalization or was unavailable due to active participation on Jury Duty;
3. As a result of a data entry error, the MHA computer system incorrectly recorded the address of the applicant; and, therefore, the applicant was improperly withdrawn from the waiting list for failure to respond to a MHA notice; or
4. The applicant is a person with a disability who requires an alternative form of communication other than one normally used by MHA, and the applicant informed MHA, in advance, of the proper means of communication, as required by regulations.
5. In order to be considered for reinstatement, applicants must provide documentation acceptable to MHA proving that they share no burden in the failure to respond to a waiting list update or notification for interview.

When MHA decides to update the Housing Choice Voucher waiting list, it will mail notices to the applicants on the waiting list requesting updated information. The intent of the mailing is also to determine whether the applicant is still interested in the Housing Choice Voucher Program. The applicant will be required to respond to the request for information within a specified time period. Each update notice will inform the applicant that, if they do not respond within the specified time period, the family will be withdrawn from the waiting list and will be given the opportunity for an informal review to dispute the withdrawal from the waiting list. The informal review process is described in Section IV. Y.

If the applicant fails to respond to MHA's request for updated information, or, any notice is returned to MHA as undeliverable, the applicant's name will be withdrawn from the waiting list.

Special Admissions

Some applicant households will be admitted to MHA's Housing Choice Voucher Program without ever being on the waiting list or without considering the applicant's place on the waiting list. This may occur when HUD has awarded funding to MHA for a targeted group of households living in specified units. This HUD-targeted funding may include, but is not limited to:

- Families displaced because of demolition or disposition of a public or Indian housing development;
- Families residing in a multifamily rental housing development when HUD sells, forecloses or demolishes the development;
- Housing covered by the Low Income Preservation and Resident Homeownership Act of 1990;
- Non-purchasing families residing in a development subject to a homeownership program;
- Families displaced because of a mortgage prepayment or voluntary termination of a mortgage insurance contract;
- Families residing in a development covered by a project-based Housing Choice Voucher HAP contract at or near the end of the HAP contract term;
- Non-purchasing families residing in a HOPE 1 or HOPE 2 development;
- Over a 12-month period, families who are active participants in a Witness Protection Program and who are in need of assistance to move and ensure their continued protection, may be referred to MHA by either a Federal or State Law Enforcement Agency. Each referral must include certification by the Law Enforcement Agency that the family is a victim and/or witness of a violent crime and in a life-threatening situation. MHA will take all appropriate steps to maintain the confidentiality of each referral.

E. Family Choice of Housing and Housing Type

Generally, MHA does not offer special housing types as an option to Housing Choice Voucher families. However, MHA will not deny a family (with a disabled member) the right to use any of the following special types of housing in accordance with the program requirements: Single Room Occupancy; congregate housing; group home; shared housing or cooperative housing only if needed as a reasonable accommodation for persons with disabilities.

F. Verification of Eligibility and Preference

At the time of initial eligibility determination and reexamination, applicants and participants will be required to certify to all information they provide to MHA and to sign verification forms permitting the release of information from verifying agencies, including the Authorization to Release Information/Privacy Act Notice form which is a general release form. Documentation of all verifications will be placed in the applicant/participant file. Family income and assets and all factors related to eligibility must be verified, including preference for assistance as described in Section IV. D. of this plan. Verifications must be completed before an applicant will be issued a Voucher.

MHA will rely primarily on Upfront Income Verification (UIV) tools and third party verification tools to verify income and other eligibility factors. This will include obtaining income data directly from electronic sources such as the HUD Tenant Accounting Sub System (TASS), Enterprise Income Verification (EIV) system and the ACCENT system which provides access to records held by the Tennessee Department of Human Services. No adverse action will be taken against an applicant or participant without independent verification of the information obtained through a UIV system.

To obtain third-party verification, MHA will mail or fax forms directly to the third party verification source and have them return the information back to MHA. Oral verification with the third party by phone will be obtained when efforts to obtain written verification have been unsuccessful. If third party verification is not possible, MHA will review documents brought in by applicants/current participants. If there are no documents, MHA may use a notarized applicant certification for verification.

In all cases, the highest level of verification, as outlined in HUD regulations, will be attempted before moving on to another verification method.

G. Notification of Ineligibility

Ineligible families will be notified by mail and given the reason for the determination, with an opportunity to request an informal review. Reasons why a family may be determined ineligible or denied assistance are included in Section IV. C. and Section IV. W. respectively.

H. Computation of Total Tenant Payment and Determination of Rent

Once verification is complete, MHA will compute Annual and Adjusted Income and Total Tenant Payment in accordance with 24 CFR Part 5.

Calculation of Total Tenant Payment, Family Share and Family Rent to Owner

Total Tenant Payment will be calculated using the greater of: a) 30% of the family's adjusted monthly income; b) 10% of the gross monthly family income; or c) the MHA minimum rent of \$25. Family Share and Rent to Owner is calculated only after the family finds a unit, and is

calculated as the difference between the lesser of the Payment Standard or Gross Rent for the unit and the family's Total Tenant Payment.

Minimum Rent

MHA has adopted a minimum rent for the program of \$25. It is used as determined when applying the formula to calculate Total Tenant Payment as described above.

Minimum Rent Hardship Exemption

MHA will grant an exemption from application of the minimum monthly rent to any family making a proper request, in writing, that it is unable to pay the monthly minimum rent because of financial hardship, which includes:

- The family has lost eligibility for, or is awaiting an eligibility determination for a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationalization Act, who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;
- Family income has decreased because of changed circumstance, including loss of employment;
- A death in the family that affects the family circumstances; or
- Other circumstances as determined by MHA on a case-by-case basis.

If a family requests a hardship exemption, MHA will suspend the minimum rent charge and adjust the HAP payment effective on the first of the month following the change in the family's circumstances. The family must provide documentation of the hardship. MHA will determine if the hardship is temporary or long term.

If the hardship is determined to be temporary, the minimum rent will be suspended for a period of ninety (90) days from the date of the family's request. At the end of the 90day period, the minimum rent will be reinstated retroactively to the date of suspension. MHA will offer to execute a reasonable repayment agreement to cover the minimum rent charges accumulated during the suspension period. If MHA determines that the hardship is long term, the exemption will be applied so long as the hardship continues. Hardship determinations are subject to MHA's informal hearing process.

Determination of Rent

The Housing Choice Voucher subsidy is based on the established Payment Standard that reflects the cost to lease a unit in the area. If the gross rent (contract rent, plus utilities) is less than the Payment Standard, the family pays the Total Tenant Payment ("TTP"). If the gross rent exceeds the Payment Standard, the family pays the TTP plus the amount by which the gross rent exceeds the Payment Standard.

Once the unit is selected, the family's portion of the rent is calculated as the difference between the gross rent and the lesser of the Payment Standard for the voucher size issued, or the unit size selected by the family.

At admission or transfer to a new unit, families are prohibited from paying more than 40% of their monthly adjusted income for rent when the gross rent exceeds the payment standard.

Payment Standard

MHA establishes payment standards based upon the HUD published Fair Market Rents for the Memphis Metropolitan Statistical area. The Fair Market Rent published by HUD is based upon the 40th percentile of rents charged to recent movers (within prior two-year period) in the private rental market. The MHA payment standard is based on a "basic range," which is between 90% to 110% of the 40th percentile FMR. MHA reviews payment standards annually, at the time new Fair Market Rents are published. MHA will revise the payment standards as necessary to ensure that families are able to find and lease a variety of units in a variety of neighborhoods with the maximum subsidy permitted by use of the payment standard in effect.

At the time the payment standard analysis is conducted each year, MHA will determine the number of currently assisted families paying more than 40% of income for rent, and will base the determination of payment standard adjustment on that information. If more than 10% of currently assisted households are paying more than 40% of income for rent, MHA will increase the payment standard to an amount within the basic range that will result in no more than 10% of families paying more than 40% of income for rent.

MHA will also review market data to ensure that the Payment Standard provides a subsidy adequate to enable families to lease units in neighborhoods that are not traditionally entered by Section 8 families.

Additional Adjustments to the Payment Standard

At least annually, MHA will review its payment standard to determine if an adjustment is needed for some or all units. In determining if an adjustment is appropriate, MHA will consider: assisted families' rent burdens, availability of suitable vacant units with rents below the payment standard, size and quality of units selected and/or the leasing success rate.

Utility Allowance

The utility allowance used is based on the actual size of the unit the family selects regardless of the size authorized on the family's Voucher. The Utility Allowance Schedule will be reviewed on an annual basis and adjusted as needed.

Any allowance for utilities will be deducted from the Total Tenant Payment to determine the Family Rent to Owner. Where the Utility Allowance exceeds the Total Tenant Payment, the tenant will pay \$0 rent and the difference between the utility allowance and the Total Tenant Payment will be issued in the form of a two party check to the tenant and Memphis, Light, Gas and Water as a Utility Reimbursement towards utilities.

As a reasonable accommodation for families with a disabled household member, MHA will approve a utility allowance that is higher than the applicable amount on the utility allowance schedule.

I. Housing Choice Voucher Issuance and Briefing

All eligible applicants (based on full and complete verification) are required to attend a briefing before a Voucher is issued. The briefings may be group or individual meetings. The Voucher will be issued during the briefing session.

Briefing Packet

Each family will receive a briefing packet containing, but not limited to, the following:

1. The term of the Voucher;
2. A description of MHA's policy on granting extensions or suspensions of term and how a family can request extensions;
3. Information on computing the Housing Assistance Payment;
4. Information on the Payment Standard and MHA's Utility Allowance Schedule;
5. How MHA determines the maximum rent for an assisted unit;
6. What the family should consider in deciding whether to lease a unit such as unit condition, reasonableness of rent, cost of tenant-paid utilities, whether the unit is energy efficient, and location of unit to public transportation, employment, schools and shopping;
7. Where the family may lease a unit using portability and how portability works;
8. HUD required tenancy addendum;
9. Request for Tenancy Approval and the process of obtaining an inspection;
10. MHA's policy on providing information to prospective landlords;
11. MHA's subsidy standards including any exception to these standards;
12. HUD brochure on selecting a unit;
13. **Information on Upfront Income Verification (UIV) tools used to verify income;**
14. HUD brochure, *Protect Your Family From Lead in the Home*;
15. Fair Housing Brochure and information, (HUD-903) and a Discrimination Complaint Form (HUD-903a);

16. List of landlords or real estate agents who may be willing to lease a unit or may be able to help the family locate a unit;
17. Notice that if the family includes a disabled person, the family may request a current listing of accessible units, known to MHA, that may be available;
18. Family program obligations;
19. Grounds under which MHA may terminate the family's assistance;
20. Informal hearing and review process and how to request a hearing;
21. A Voucher showing the bedroom size; and
22. Other items as MHA may determine.

Briefing Session

The briefing will cover the information in the packet and discuss the following topics:

1. Family, Owner and MHA Responsibilities under the Lease and Contract
2. Expiration and Extension of the Voucher
3. A description of the general location and characteristics of neighborhoods in Shelby County
4. Tips on Where to Look for Housing

Sources of information on available units (e.g., newspapers, community bulletin boards) should be obtained. MHA will also provide a list of owners who have indicated a willingness to participate in the Housing Choice Voucher Program. Families will also be advised to maintain contact with the Housing Choice Voucher staff.
5. Housing Quality Standards

HQS, rent reasonableness and procedures for inspections will be addressed. Housing quality standards to be used are described in 24 CFR 982.401.
6. Encouragement to consider all neighborhoods within Shelby County when searching for a unit. MHA will provide information on portability of the Voucher and its use to move out of areas of high poverty concentration.
7. Landlord-Tenant Laws and Federal, State and Local Fair Housing Laws

The participants' fair housing rights and what to do if discrimination is encountered will be discussed. In cases where discrimination is suspected, MHA will advise and assist the family to file a discrimination complaint with the Department of Housing and Urban Development.

8. Assistance to Elderly and Individuals with Disabilities

Additional assistance that is available for persons with disabilities or elderly households will be described. Housing Choice Voucher staff will provide as much assistance as possible and refer participants to social service agencies as needed.

9. Calculations/Explanation of Total Tenant Payment, HAP, Maximum Subsidy, Utility Allowances, and Utility Reimbursements

The applicable Payment Standard and Utility Allowance will be discussed as well as calculation of Total Tenant Payment, Family Share, Family Rent to Owner Housing Assistance Payment, Maximum Subsidy and Utility Reimbursement. Allowances will also be explained.

10. Information Provided to Prospective Landlords about Participants

J. Housing Choice Voucher Term and Suspension (Tolling) Policy

Each Housing Choice Voucher recipient will be given a maximum of **60 days** (excluding any tolling time) to look for a unit. Extensions, not to exceed a maximum additional period of 60 days, are permissible at the sole discretion of MHA.

Extensions of search time will only be permitted for the following reasons:

- The family has a medical condition or handicap, which makes locating an accessible unit difficult;
- The family has three or more minors; or
- There is evidence of the family's search for a unit in a low-poverty area (such as submission of a Request for Tenancy Approval for a unit in a low-poverty area).
- There is evidence that a family has experienced discrimination due to their voucher holder status. The incident must be reported to the Memphis Fair Housing Center. To qualify for an extension, the family must obtain a written account of the discrimination to MFHC and evidence that they continued to search for housing. MHA will verify all requests with MFHC. Requests for extension under this category must be reviewed and approved by a Supervisor.

If a Voucher is about to expire, a family must submit a written request for an extension to MHA. The request must be submitted no later than five days **prior to** the expiration date. MHA will

review the circumstances and determine whether an extension may be granted. MHA will provide to the family written documentation of any extension of search time.

Tolling

In situations where a selected unit has been disapproved by MHA, the Authority will suspend the day count (term) of the Voucher as of the date the family submitted a Request for Tenancy Approval. The term will resume, beginning with the date the family is notified of the disapproval, and will continue for the number days remaining on the voucher at the time family submitted a Request for Tenancy Approval.

If the family has not found a unit within the maximum term allotted, with any extensions, the Voucher will expire and the family will be removed from the waiting list. Families seeking another opportunity for assistance must reapply to the program upon the reopening of the waiting list.

K. Information Provided to Prospective Landlords About Participants

Upon written request, MHA will provide the current address and, if known, name and address of owner at participant's current and prior address to prospective landlords. MHA conducts a criminal background check on all applicant household members who are at least 17 years of age. MHA will inform all property owners interested in participating in the Housing Choice Voucher Program that tenant screening for payment and other lease compliance behavior is the owner's responsibility, and is not performed by MHA.

L. Security Deposits

The property owner may collect a security deposit. The owner determines the amount of the deposit in accordance with local practices. MHA prohibits security deposits in excess of private market practice or in excess of amounts charged to unassisted tenants.

M. Portability

The portability feature allows a participating Voucher family to move from one jurisdiction to another with continued assistance. Voucher holders may move anywhere there is a Housing Agency that administers a tenant-based program. Families that are new admissions to the HCV program must meet the income eligibility requirements in the areas where the family initially leased a unit with assistance. Participant families must also meet the income eligibility requirements in the area to which the family plans to move. In this case, the family is considered "continuously assisted" and the Low Income Limit is used to determine eligibility. Families are informed of these requirements in the briefing session.

A family, in which the head of household or spouse of the family lived within the city of Memphis or Shelby County on the date of application, is eligible for portability at the time a Voucher is issued. Other families must first lease a unit within MHA's jurisdiction for 12 months before becoming eligible for portability, unless the receiving PHA mutually agrees to accept the outgoing family.

MHA does not permit families to move during the initial lease term under portability procedures.

Families must notify MHA in writing when they want to move using the portability feature. When a family notifies MHA that it wants to move under the portability procedures, MHA will contact the receiving Housing Authority. MHA will confirm the following to the receiving HA:

- The family is eligible for assistance, (i.e., meets the requirements of MHA); and
- A Voucher has been issued to the family.

MHA will always participate in assisting clients who wish to exercise portability. To the greatest extent possible, MHA will absorb Voucher holder families moving into Shelby County from other jurisdictions. MHA will administer assistance to such families on behalf of an initial HA when the MHA program utilization rate is 100% or the cost of absorbing the contract is prohibitive within the HUD approved budget

MHA will encourage and request other Housing Authorities to absorb families who move out of the city of Memphis or Shelby County, but will fully cooperate if a Housing Authority wishes to administer MHA assistance.

N. Requirements for Lease Submission and Unit Approval

Voucher holders must submit a fully completed and executed Request for Tenancy Approval (RTA) and a copy of the owner's proposed lease **prior to** Voucher expiration. Once this information is submitted, MHA will review the landlord lease, determine rent reasonableness, inspect the unit and approve of the owner. If a RTA is delivered or received on the expiration date, the RTA will be accepted and the unit scheduled for inspection. If the unit subsequently fails after two inspections, the family will be provided with one day of tolling time as described in paragraph H. of this Section.

Landlord Lease

A lease between the owner and tenant shall be in a standard form used by the owner for other unassisted tenants. The initial lease term cannot be for less than one year. The terms and conditions of the lease shall be consistent with State and local laws.

Rent Reasonableness

Rent reasonableness will be determined for all new leases and rent increases. A reasonable rent to the owner is defined as a rent that is not more than rent charged for comparable units in the private, unassisted market and for comparable unassisted units. MHA will not approve a subsidized tenancy until a determination has been made that the initial rent to the owner is reasonable. The reasonableness of the rent requested by the owner will be determined by considering the following factors:

- Location;
- Quality;
- Size;
- Unit Type;
- Age of the Contract Unit;
- Amenities;
- Housing Services;
- Maintenance; and
- Utilities provided by the Owner in accordance with the Lease.

MHA maintains market survey information on rents for comparable units in the area. Market survey information that is more than 24 months old is not used for determining rent reasonableness.

If MHA determines that the amount of rent requested by the owner is not reasonable, a reasonable rent will be computed, and MHA staff will tender a counter-offer to the owner. Failure by the owner to lower the rent will result in disapproval of the unit for the program. If the unit is disapproved and the family's voucher has expired, tolling time will be added to the term of the voucher as described in paragraph H. of this Section

Inspection Standards

MHA adheres to Housing Quality Standards (HQS) standards as established in 24 CFR 982.401 to perform all required inspections. Interpretative guidance for HQS acceptability criteria is taken from Form HUD 52580-A dated 9/00, the HUD Housing Inspection Manual and MHA Inspection Policy and Procedure memoranda. Before any unit is approved under the Housing Choice Voucher Program, MHA requires compliance with HQS. Units must be inspected and pass HQS prior to approval of any lease, and at least annually thereafter. Inspections may also occur on other occasions, as warranted, such as in the case of a request for inspection by the owner or family.

Property owners/agents and families are encouraged to be present during an inspection of their unit(s) by MHA.

If at the initial inspection there are defects or deficiencies, which must be corrected to make the unit decent, safe and sanitary, the owner, will be advised by MHA of the work required. MHA will give the owner a specified date by which to complete the work. Before a contract is executed, any unit that fails must be reinspected to ascertain whether the necessary work has been performed. The unit must be approved as compliant with HQS before execution of the contract.

Proof of Ownership/ID

MHA will require all property owners who request to rent their units through the Section 8 program to provide a picture ID and proof of ownership. Acceptable forms of ownership documentation include a deed, property mortgage insurance paperwork, property tax records and closing escrow documents (for recent transactions only). The owner must provide a minimum of one (1) document establishing ownership. MHA will compare the documentation provided by the property owner with information available on the Shelby County Tax Assessor and the Register's Office websites, when available. In cases where the owner has elected to utilize the services of a property management company or has otherwise designated an agent to act on his/her behalf, MHA may request a copy of the management or agent agreement in addition to proof of ownership documentation. MHA may not enter into a Housing Assistance Payment contract for any property until ownership, and, if applicable, authorization to act on the owner(s) behalf, are clearly established. MHA reserves the right to request additional documentation as necessary.

Disapproval of Property Owner

MHA will not approve a unit if the owner has a history or practice of failing to terminate tenancy in units assisted under Housing Choice Voucher or any other federally assisted housing program for activity by the tenant, any member of the tenant's household, a guest or another person under the control of any member of the household that:

1. Threatens the right to peaceful enjoyment of the premises by other residents;
2. Threatens the health or safety of other residents, of employees of the MHA, or of owner employees or other persons engaged in management of the housing;
3. Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or
4. Engages in drug-related or violent criminal activity.

MHA will also deny owner participation for one or more of the following reasons

1. The owner is debarred, suspended or subject to a limited denial of participation by HUD;
2. If directed by HUD because the Federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act;
3. If directed by HUD because a court or administrative agency has determined that the owner has violated the Fair Housing Act.
4. Acts in collusion with a recently debarred or suspended owner for the purpose of circumventing the debarment or suspension.

MHA, at its discretion, may deny participation to an owner if any one of the following conditions exists:

1. The owner has violated obligations under any Housing Choice Voucher HAP contract;
2. MHA has obtained documentation that the owner has committed fraud under any Federal housing program; or
3. The owner has engaged in drug-related criminal activity or any violent criminal activity.
4. Repeated failure of HQS.
5. The owner threatens or is abusive towards MHA personnel.
6. The owner(s) has not provided adequate proof of ownership.

The individual circumstances and seriousness of such conditions will be considered prior to disapproval of an owner.

If MHA determines that the owner and unit are acceptable, the assistance contract may be approved. If the unit cannot be approved, the owner and subsidy holder will be notified and provided with the reason and an opportunity to correct any deficiencies.

Property Owner or Landlord Suspension and Debarment

Property owners, landlords, and/or their designees, who commit fraud within the Section 8 program or knowingly violate the HAP Agreement may be suspended or debarred at the discretion of the Authority. It will be handled as an internal administrative matter of the Memphis Housing Authority

Contracts or HAP agreements shall not be entered into or awarded to debarred or suspended owners or landlords. A debarment by the Authority shall be for a period of six (6) years. Suspensions may be issued for any period from one (1) to five (5) years.

If an owner, landlord or their designee, is determined by the Authority to have committed an act or action justifying the sanction of suspension or debarment, the landlord shall be advised in writing by regular and certified mail of the reason for the determination.

The Owner or Landlord will have fifteen (15) days from the date the notice is mailed to appeal the determination to the Executive Director in writing by certified mail. Upon receipt of said notice the Executive Director will schedule a hearing for the owner before the Section Eight Hearing Panel or other designated review panel

The panel or review committee will within 15 working days from the date the grievance is held render an advisory decision in writing to the Executive Director. The Executive Director may accept, reject or amend the decision of the Panel and will notify the Owner or Landlord within 10 days of his disposition of the matter. The Executive Director's disposition shall be final and binding upon the Agency and Owner.

Restriction on Renting to Relatives

Housing Choice Voucher recipients may not rent units which are owned by a close relative (defined as the parent, child, grandparent, grandchild, sister, or brother) of any member of the recipient's household. The exception to this rule is if the recipient household member has a disability and, renting from a close relative is determined to be a reasonable accommodation. This policy applies only to new admissions and transfers. The policy does not affect current participants who are leasing units from close relatives until they decide to move or unless the owner wishes to amend the lease or execute a new HAP Contract for the same unit. It also does not affect families at the time that their subsidy is converted to the Housing Choice Voucher so long as they remain in the same unit under the same lease agreement.

O. Lease Requirements and Contract Execution

After the unit passes inspection and the Contract Rent is approved, MHA will confirm the family composition and income and allowances with the family. Changes will be reverified. The owner and tenant will provide MHA with a copy of the signed Lease.

Federal regulations require that the lease include the following as grounds for lease termination:

1. Drug-related criminal activity or violent criminal activity: engaged in on or near the premises by any tenant, household member or guest; or, engaged in on the premises for any other person under the tenant's control;
2. Illegal drug use or a pattern of illegal use of a drug that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
3. Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises) and by persons residing in the immediate vicinity of the premises;
4. When it is determined the tenant is fleeing to avoid prosecution or custody or confinement after conviction for a crime, or attempt to commit crime that is a felony under the laws of the state from which the individual flees; and
5. When the tenant is violating a condition of probation or parole imposed by Federal or state law.

Family Obligations

The family shall be obliged under the terms of its Voucher subsidy to:

1. Supply such certification, release information or documentation as MHA determines to be necessary in the administration of the program, including information required by MHA for a regularly scheduled re-examination or interim re-examination of family income and composition in accordance with HUD requirements.
2. Allow MHA to inspect the dwelling unit at reasonable times and after reasonable notice.
3. Notify MHA at least thirty days before vacating the dwelling unit.
4. Use the dwelling unit solely for residence by the family and as the family's principal place of residence; and shall not assign the lease or transfer the unit.
5. Avoid creating a breach of HQS by:
 - Failing to pay for utility bills in the family's name;

- Not allowing the landlord/owner access to the unit to make repairs;
 - Failing to provide and maintain any appliances the owner is not required to provide; or
 - Damaging or allowing any family member or guest to damage the unit or common areas.
6. The family must also correct, within 24 hours, any lifethreatening breach of HQS it has caused, and any other violations within the time frame specified by MHA.
7. The family shall not:
- Commit serious or repeated violations of the lease.
 - Own or have any interest in the dwelling unit. However, if the owner is a cooperative, the family may be a member of the cooperative.
 - Commit any fraud in connection with the Housing Choice Voucher Program; and
 - Receive assistance under the Housing Choice Voucher Program while occupying, or receiving assistance for occupancy of, any other unit assisted under any Federal housing assistance program (including any *Housing Choice Voucher Program*).
 - Engage in any drug-related criminal activity, violent criminal activity, or illegally possess weapons.
 - Engage in the use of illegal drugs or abuse of alcohol that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.
8. Families must report to MHA any absence of the entire household (circumstances in which all family members are absent and the unit has no occupants) of more than 30 days. At initial lease-up, and while preparing to move-in, MHA will allow the families to be absent from the unit up to a maximum of 30 days. Subsequent to move-in, MHA will permit absences of no more than 90 days, unless the participant can document a medical need.

In no case may a participant be absent from a unit for more than 180 days. If the family leaves the household for more than 90 days for a reason other than medical need, the unit will not be considered the family's principal residence and the family shall be terminated from the program.

P. Information and Assistance

Program participants will be informed that MHA staff is available to discuss and assist with any program related issues. Participants will be instructed to contact owners directly to request needed maintenance or repairs; however, if the owner fails to respond within a reasonable period

of time, the family should contact the MHA Inspections Department to schedule a complaint inspection.

Q. Reexamination of Household Composition, Income, Allowances and Rent

Annual Reexaminations

MHA will re-examine the income, assets, expenses and family composition of all families at least annually. Approximately ninety (90) days prior to the family's reexamination effective date, the family will be notified of a scheduled re-examination interview. If the family is unable to attend the scheduled interview, another appointment will be scheduled. If the family fails to keep the second appointment, MHA may send the family a notice terminating assistance under the Housing Choice Voucher Program, effective on the family's reexamination effective date.

Move to a New Unit

Re-examination will be required when a family receives a new Housing Choice Voucher for the purpose of moving to a new unit to ensure that the re-examination cycle continues to parallel any new HAP contract anniversary date.

Interim Reexaminations

Rent and other charges shall remain in effect for the period between regularly scheduled re examinations, except when:

- There is a change in the household composition. Any change in the household composition must be reported within 30 days. If the change in household composition results in a reduced income for the household, the tenant's rent will be adjusted. Any new household members must be approved by MHA. If the addition of a household member results in an increase in income, the tenant's rent will be adjusted accordingly
- There is a decrease in household income that is expected to last longer than 30 days.

Decreases in the tenant's Total Tenant Payment will be effective the first day of the month following the month in which the change is reported; provided, the change was reported within 30 days. Increases will become effective at the first day of the second month following the date the change occurred.

Interim re-examinations do not affect regularly scheduled re-examination effective dates.

MHA will schedule special re-examinations every 180 days for families reporting zero (\$0) income. Families reporting \$0 income will be required to have all adult household members sign a certification of \$0 income and a Release allowing MHA to obtain a certified copy of any tax return submitted to the IRS by all adults residing in the household. Failure to comply with these re-examination requirements will be considered grounds for termination of assistance.

R. Contract Rent Increases

At all times during the assisted tenancy, the rent to the owner may not exceed the reasonable rent as most recently determined or redetermined by MHA.

MHA will redetermine the reasonableness of the rent under the following circumstances:

- Before any increase in the rent to the owner;
- If there is a 5 percent decrease in the published FMR in effect sixty (60) days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary; or
- If directed by HUD.

Rent increases will not be approved unless the rent is comparable and the unit is in decent, safe, and sanitary condition and the owner is in compliance with the terms of the HAP contract and lease.

The Contract Rent may not be increased during the initial term of the lease. After the initial term, owners may request an increase at any time but must provide written notice of any proposed increase to the family and to MHA in accordance with the lease and contract. The increase will not be approved unless the increased rent meets rent reasonableness requirements and the family agrees to the increase.

Families who wish to move because of the owner's rent increase will be required to give the owner proper notice and notify MHA at least 30 days in advance.

S. Rent Abatement and Contract Terminations for HQS Violations

Non-Emergency HQS Inspections

MHA will send the owner advance written notification, in accordance with the HAP contract, when MHA plans to abate payments. MHA will also notify the family of this action and apprise the family of its responsibility, based on applicable State or local law, for the payment of the tenant share of rent to the owner. When an owner fails to correct cited repairs within the specified time frame, housing assistance payments will be abated at the end of the month in which the failed reinspection occurred, and will continue until such time when:

- The owner corrects the deficiencies, in which case the housing assistance payments may be resumed as of that date; or
- The HAP contract expires or is terminated.

No retroactive payments will be made for the period during which the rent abatement occurred. When the deficiencies are corrected, however, proration of the monthly HAP payment may be provided to the owner based on the date a MHA inspector certified the required work was completed.

MHA will terminate HAP contracts which are under abatement at the earlier of: a) the month the family living in the unit has moved, or b) two months after the last HAP payment was made.

Emergency HQS Inspections

In cases of owner or tenant failure to repair life-threatening conditions within the required 24-hour time period, HAP contracts will terminate the end of the month following expiration of a 30-day notice to terminate. Life-threatening conditions include, but are not limited to:

- No heat between November 1 and March 1.
- No electricity in the entire unit.
- No running water.
- Natural gas leak or fumes from any fuel burning equipment.
- Major plumbing leaks or flooding (such as sewer backup or stoppage).
- Any electrical outlet, switch, stationary light fixture, fuse box or circuit breaker that smokes, sparks or short circuits, creating a fire hazard.
- Uninhabitable units due to fire, tornado, destroyed or vandalized property that prevents a tenant from using the bathroom or kitchen or from entering the dwelling unit.
- Any life threatening condition as determined by the inspector and approved by the inspection supervisor.

T. Repayment Agreements

If a participant owes money to MHA, MHA may require the participant to enter into a repayment agreement or may require repayment on demand. If the participant does not comply with the repayment agreement, MHA may terminate the participant from the program. However, MHA will consider extenuating circumstances on a case-by-case basis.

If MHA determines that the family committed fraud or was grossly irresponsible, MHA may require the family to repay the entire amount in full or have its assistance terminated, since fraud or gross irresponsibility are considered a violation of a family obligation.

In no case does MHA have a responsibility to enter into a repayment agreement. If the family's assistance is terminated and repayment has not been made, the money will still be considered to be owed. MHA may take such action, as necessary, to collect the amounts owed.

U. Family Moves

Moves Requested by Participant Family

A family is not permitted to move during the initial lease term. Thereafter, families may move no more frequently than once every twelve months.

A participant family, who wants to move, **must** vacate the unit in compliance with the lease (e.g. provide landlord with adequate notice). The family must provide MHA thirty (30) days written notice and a Request for Tenancy Approval in order to receive a Voucher to lease a new unit. MHA may opt to conduct a criminal background check of the members of the household who are 17 years of age and older prior to approving the issuance of a voucher to move. Provided all obligations have been met, the family will be issued a Voucher to lease a new unit.

Moves Required by MHA

MHA may require participant families to move from one unit to another unit if the unit is overcrowded or the owner fails to comply with HQS requirements.

V. Family Break-Up

In the case of family break-up, MHA has the discretion to decide which members of an assisted family will continue to receive the housing assistance. The factors to be considered may include: whether the assistance should remain with family members remaining in the original assisted unit; the interest of minor children or of ill, elderly or disabled family members; and whether family members are forced to leave the unit as a result of actual or threatened physical violence against family members by a spouse or other member of the household.

If a court determines the disposition of property between members of the assisted family in a divorce or separation under the settlement or judicial decree, MHA will follow the court's determination of which family members continue to receive assistance in the program.

W. Termination of Tenancy

By the Owner

An owner may evict the resident from the unit only by instituting a court action and only for one of the following reasons:

1. Serious violation (including but not limited to failure to pay rent or other amounts due under the lease) or repeated violation of the terms and conditions of the lease;
2. Violation of Federal, State or local law which imposes obligations on the resident in connection with the occupancy or use of the dwelling unit and surrounding premises; or
3. Other good cause (only permitted after expiration of the initial lease term).
4. Owner termination of residency for other good cause may include:

- The tenant’s failure to accept the offer of a new lease in accordance with HUD regulations
- A history of disturbances of neighbors or destruction of property;
- Living or housekeeping habits resulting in damage to the unit or property;
- Criminal activity by family members involving crimes of physical violence to persons or property;
- A business or economic reason; and
- The owner’s desire to utilize the unit for personal or family use.

This list of examples is intended as a non-exclusive statement of some situations included in “other good cause,” but shall in no way be construed as a limitation on the application of “other good cause” to situations not included in the list.

If the owner opts not to renew the Lease or to terminate the HAP contract for a business or economic reason (such as the sale of the property, renovation of the unit or desire to rent the unit at a higher rate) or if the HAP contract is to expire, the owner must give written notice to the family and MHA in accordance with the lease.

The owner must notify MHA in writing of the commencement of procedures for termination of tenancy at the same time that the owner gives notice to the resident under State and local law. The notice to MHA may be given by furnishing to MHA a copy of the notice to the tenant.

By the Tenant

The tenant may terminate the lease without cause at any time after the initial term of the lease, according to the requirements stated in the lease, with written notice by the tenant to the owner (with a copy to MHA). The tenant may, however, only receive a Voucher to move if it has been at least 12 months since the last household move with assistance.

X. Denials and Terminations

MHA Termination of the HAP Contract

MHA will terminate a current HAP contract or deny approval of a new HAP contract for the reasons listed below. In these cases, the HAP contract will terminate on the last day of the month following the month in which MHA provided the owner with notice.

MHA may terminate the HAP contract for any owner breach of contract, including the following:

1. HAP contract violation (such as not maintaining HQS);

2. Any fraud or bribery or other corrupt or criminal act in connection with Federal housing programs;
3. Has a history or practice of failing to terminate tenancy of tenants of assisted units for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that: (a) threatens the right to peaceful enjoyment of the premises by other residents; (b) threatens the health or safety of other residents, of employees of MHA, or of owner employees or other persons engaged in management of the housing; (c) threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or, (d) commits drug-related criminal activity or violent criminal activity.
4. Engaging in any drug-related criminal activity or any violent criminal activity; or
5. Any failure to comply with mortgage insurance/loan program regulations, or bribery or other corrupt or criminal act in connection with the program. (Only for projects with mortgages insured or loans made from HUD.)

The nature and extent of circumstances will be considered when such HAP contract terminations are proposed.

Denial or Termination of Assistance to Applicant/Participant Families:

MHA may deny housing assistance to any applicant household:

1. Who does not meet eligibility requirements;
2. Who has any household member who refuses to sign or submit consent forms;
3. Wherein the Total Tenant Payment is greater than the Payment Standard;
4. Who has any household member who has been evicted from public housing within the past five years.
5. If MHA has ever terminated assistance to any household member under the Housing Choice Voucher Program.
6. Who has any household member who illegally possesses weapons.

MHA may deny or terminate housing assistance to any applicant or participant household who:

1. Violates program obligations, including compliance with HQS.
2. Commits fraud in connection with this program or any other Federal housing assistance program. If MHA determines that the family committed willful and intentional fraud, MHA may require the family to repay any amount owed in full or the family's assistance may be terminated. MHA may, at its discretion, offer the applicant or participant the opportunity to enter into an agreement to repay the amounts owed to MHA or another

Housing Authority. If MHA elects to make such an offer, the agreement shall be on terms prescribed by MHA. MHA may, at any time, deny or terminate assistance for breach of such agreement. (See also Section T. Repayment Agreements.)

3. Owes money to MHA or any other Housing Authority in connection with the Housing Choice Voucher Program or the Public Housing Program, if an applicant; or owes money to MHA and breaches a reimbursement agreement, if a Housing Choice Voucher participant;
4. Has engaged in or threatened abusive or violent behavior toward MHA personnel;
5. Has \$0 in housing assistance payments paid on the family's behalf for six months;
6. Is convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing. The premise is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.
7. Is convicted of other drug-related or violent criminal activity within the past two years.
8. Is subject to a lifetime registration requirement under a State sex-offender registration program in the state where the housing is located and in other states where the household is known to have lived.
9. Has any household member who illegally possesses weapons;

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, MHA will consider all of the circumstances of the case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

Families must report any absence of the entire household (circumstances in which all family members are absent and the unit has no occupants) of more than 30 days to MHA. At initial lease-up, and while preparing to move-in, MHA will allow the families to be absent from the unit up to a maximum of 30 days. Subsequent to move-in, MHA will permit absences of no more than 90 days, unless the participant can document a medical need.

In no case may a participant be absent from a unit for more than 180 days. If the family leaves the household for more than 90 days for a reason other than medical need, the unit will not be considered the family's principal residence and the family shall be terminated from the program.

Y. Informal Reviews and Hearings

Informal Reviews of Procedural Compliance

To request an informal review of MHA's decision to deny assistance, an applicant for participation in the Housing Choice Voucher Program must submit a request for a review. The request must be submitted in writing, within 10 business days from the date of MHA's initial notice of determination. MHA shall give an applicant an opportunity for an informal review of a decision denying the applicant for one of the following reasons:

- Listing on MHA's waiting list;
- Issuance of a Voucher;
- Participation in the program; or
- Any type of preference.

Informal reviews will not be granted to applicants who dispute the following actions:

1. The number of bedrooms entered on the Voucher;
2. A determination that a unit does not meet or comply with Housing Quality Standards;
3. A decision not to approve a request for an extension of the term of the Voucher; or
4. General policy issues or class grievances.

The informal review shall be conducted by a staff member(s) designated by MHA, other than a person who made or approved the decision, or a subordinate of such person.

MHA shall give the applicant prompt written notification of the result of the hearing. The notification shall:

- Be given personally to the applicant or member of the family or sent by first class mail to the last known address; and
- Give a brief statement of the reason(s) for the decision.

Informal Hearings

To request an informal hearing, the participant in the Housing Choice Voucher Program must submit a request, in writing, within ten (10) business days from the date of MHA's notice of adverse action. MHA shall give the participant an opportunity for an informal hearing to consider whether decisions relating to the individual circumstances of the participant are in accordance with law, HUD regulations and MHA rules in the following situations:

- A determination of the amount of Total Tenant Payment, Family Share, Family Rent to Owner, or Payment Standard. (This requirement does not apply to utility allowance schedules.)
- A decision to deny or terminate assistance on behalf of the participant;
- A determination that a participant family is residing in an overcrowded dwelling unit;
- In the case of a participant who wants to move to another dwelling unit, a determination of the number of bedrooms to be entered on a Voucher; and
- A decision to delay, terminate or deny assistance because of ineligible immigration status (this applies to both applicants and participants).

An informal hearing **will not** be granted to participants to review:

- General policy issues or class grievances;
- A determination that
 - a unit does not comply with Housing Quality Standards,
 - that the owner has failed to provide decent, safe and sanitary housing, or
 - that the unit is not decent, safe and sanitary because of an increase in family size or change in composition; or
- A decision by MHA to exercise any remedy against an owner.

The informal hearing for participants shall be conducted in accordance with the following procedures:

1. MHA shall appoint a hearing officer or **panel** to conduct the hearing, other than the person who made or approved the decision under review or a subordinate of such person;
2. The family, at its own expense, may be represented by a lawyer or other representative;
3. The family or its counsel/representative shall be given an opportunity to examine evidence, question adverse witnesses, and to present testimony and evidence in its favor;
4. Evidence shall be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings;
5. The hearing officer or **panel** shall issue a written decision stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the participant shall be based on the evidence presented at the hearing; and
6. A copy of the hearing decision shall be furnished promptly to the participant.

MHA is not bound by a hearing decision:

1. Concerning a matter for which MHA is not required to provide an opportunity for an informal hearing;
2. Beyond the authority of the person conducting the hearing under MHA's hearing procedures; or
3. Contrary to HUD regulations or requirements or otherwise contrary to Federal, State or local law.

If MHA determines that it is not bound by a hearing decision, MHA shall promptly notify the participant of the determination and of the reasons for the determination.

Z. Damages to the Unit, Unpaid Rent and Vacancy

Special Claims: Form of HAP contract dated prior to 9/95

Housing Assistance Payments contract forms prior to the 9/95 edition, entitle owners to bill MHA for tenant damages and unpaid rent not covered by the family's security deposit. To be reimbursed for damages, the owner must contact MHA within five (5) days of the tenant vacating the unit to schedule a move-out inspection to assess the damage.

The owner must also submit back-up documentation to MHA of attempts to bill the tenant for the unpaid rent and damages, and either actual invoices for repairs made, or projected cost estimates for work claimed to be necessary. The owner must also certify that these costs will not be reimbursed from some other source (e.g., insurance settlement). The owner must submit all required documentation within sixty (60) days of move-out to be eligible for a special claims payment.

MHA's maximum liability for unpaid rent and damages is specified in the contract.

The owner of a unit subsidized under a HAP contract edition prior to the 9/95 edition may also be entitled to receive vacancy loss from MHA if the family moved out without giving adequate notice. To receive vacancy loss reimbursement, the owner must first apply the security deposit collected (or what he/she could have collected), notify MHA of the vacancy, document attempts to re-rent the unit and certify that payments for the loss were not provided from some other source. The owner may be paid up to 80% of the contract rent for the month following move out.

Use of the Security Deposit: September, 1995 versions of HAP contracts.

When the tenant moves out of the dwelling unit, the owner (subject to state and local law) may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit, or for other amounts the tenant owes under the lease.

The owner must give the tenant a written list of all items charged against the security deposit, and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant.

If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

No vacancy loss payments are permitted under the revised September, 1995 version HAP contract.

AA. Restrictions on Assistance to Noncitizens

As of June 19, 1995, HUD regulations prohibit MHA from providing housing assistance to noncitizens with ineligible immigration status. MHA will comply with all requirements of the regulations and the following policies:

Continued Assistance at Full Amount

Continued assistance at the full amount will be provided to certain mixed families. Mixed families are households in which one or more family members are citizens and/or have eligible immigration status and the remaining members do not. Mixed families that meet the following three criteria will receive continued assistance, at the full amount allowable under the Housing Choice Voucher Program, as long as they meet the requirements of the Housing Choice Voucher Program.

- The family was receiving assistance under a covered program as of 6/19/95;
- The family's head of household or spouse has eligible immigration status; and
- The only other people in the family without eligible immigration status are the head of household, spouse or parents or children of the head of household or spouse.

Prorated Assistance

All mixed families that are not eligible for, or interested in, continued assistance will be offered a prorated housing assistance payment based on the number of eligible family members. Applicant families who reject this option will not be assisted.

Extensions of Time to Document Status

Applicants and currently assisted households who have members who are noncitizens will be given an extension of time to submit evidence of eligible immigration status when the family:

- Submits the required declaration of eligible immigration status (see Section IV. C. Determination of Eligibility); and

- Certifies the evidence needed is temporarily unavailable, additional time is needed, and that prompt and diligent efforts will be undertaken to obtain the evidence.

MHA will notify families of whether their extension has been granted or denied, and the time period for the extension based on the circumstances. If the extension is denied, MHA will provide the reason for denial.

Denial or Termination of Assistance

Full or prorated assistance to an applicant or currently assisted household, with at least one person with documented status, will not be delayed, denied or terminated because of ineligible immigration status for the following reasons:

1. The INS verification process is not completed;
2. The family member in question moves;
3. The INS appeals process has not been completed;
4. For a currently assisted household, the informal hearing process is not complete;
5. Assistance is prorated; or
6. Mixed family assistance is continued or deferral of termination of assistance is granted.

Once the INS appeal process is completed, assistance to an applicant may be delayed (but not denied) until any requested MHA hearing is concluded.

Assistance to an applicant will be denied and a currently assisted household's assistance terminated when:

- Declaration of citizenship or eligible immigration status is not submitted by the specified deadline or any extension; or
- Required evidence is submitted but INS primary and secondary verification does not verify immigration status, and
 - Family does not pursue INS or MHA appeal; or
 - INS or MHA appeal is pursued but decision(s) are rendered against family.

MHA will send a notice when it decides to deny or terminate assistance for a household. The notice will include the reason for a denial, if the family has any rights to prorated assistance, the right to appeal to the INS and the right to request an informal hearing in lieu of or after the INS appeal.

- For applicants, the notice will advise that assistance may not be delayed until the conclusion of the INS appeal process but may be delayed during the informal hearing process.

INS Appeals

If the secondary verification process does not confirm eligible status, MHA will notify the family in writing of the INS verification results and send the family a delay, denial or termination of assistance notice which informs the family of their right to file an appeal with the INS. The family has 30 days from the date of notification to request an appeal with the INS, in writing.

MHA may give a family an extension of time to file a request for extenuating circumstances.

No delay, denial or termination of assistance on the basis of immigration status will occur until the INS appeal process is completed.

When MHA receives a copy of the INS decision, MHA will notify families in writing of decisions concerning eligibility for assistance. If a family is ineligible, the notification will include the reasons and inform the family of its right to request an informal hearing.

Informal Hearings

Families who are denied eligibility because they do not meet the requirements of the restrictions on assistance to non-citizens, may request an informal hearing within ten (10) days of the mailing of the INS decision or within ten (10) business days of MHA's decision to delay, terminate or deny assistance, or in lieu of an INS appeal. MHA will extend this request period for a specified period of time for good cause.

For currently assisted households, the informal hearing procedures are described under Section IV. Y. Informal Reviews and Hearings. For applicants, an informal hearing will be conducted by a person designated by the HA who may not be the person who made or approved the decision or a subordinate of the person who made or approved the decision. Applicant families requesting a hearing shall:

1. Have the opportunity to examine and copy documents pertaining to eligibility status (at their own expense);
2. Have the opportunity to present evidence and arguments in support of eligible status;
3. Have the opportunity to contest evidence used by the HA and to confront and cross examine witnesses called by the HA;
4. Be entitled to be represented by an attorney or other designee;
5. Be entitled to arrange for an interpreter at the expense of the applicant or the HA, as agreed upon by both parties;

6. Be entitled to have the hearing recorded by audiotape.

MHA will notify the family of its decision within **fifteen (15)** business days of the informal hearing.

BB. Administrative Fee Reserve Expenditures

Expenditures from the administrative fee reserve of the Section 8 program in excess of \$10,000 will be approved by the MHA Board. Expenditures of less than \$10,000, must be approved by the Executive Director or his designee.

VII. Monitoring Program Performance

MHA will maintain records of applications, eligibility and ineligibility determinations, verifications, HQS inspections, leases, contracts and payment information in applicant and participant files. Inactive files will be maintained for three years.

Applicable records related to immigration status will be maintained for 5 years. All other aspects of monitoring program performance will be performed in accordance with HUD requirements and MHA's policies.

In order to ensure adherence to the Housing Quality Standards and to monitor inspection determinations, a qualified staff person or agent of the Authority, who did not conduct the original or reinspection, will reinspect a random sample of the approved units.

VIII. Interpretation and Amendment

A. Interpretation

The policies set forth herein shall be interpreted, implemented and acted upon in relation to the laws of the United States and the State of Tennessee, and all rules, regulations and policies enacted, enforced or promulgated by the United States Department of Housing and Urban Development, all of which shall take precedence over the Policies and Procedures described in this Administrative Plan and all of which are incorporated herein by reference and all current rules, regulations and policies, including, but not limited to, Income Limits, Utility Schedules and Fair Market Rents, shall be in accordance with Federal law.

B. Amendment

The policies outlined herein shall be amended only by resolution adopted by the affirmative vote of the MHA Board upon recommendation by MHA. No action shall be required to make changes required by laws of the United States or the State of Tennessee or any rules, regulations and policies enacted, enforced or promulgated by the United States Department of Housing and Urban Development, all of which shall take precedence over the herein expressed Policies, and all of which are incorporated herein by reference. MHA Board of Directors will be notified of any subsequent changes that may be effective through new Federal regulations.

APPENDIX 1

Definitions of Terms

Adult

A household member who has reached the age of legal majority in the State of Tennessee (18 years old) or a head, spouse, under the age of 18 who has executed the appropriate emancipated adult form.

Allowance for Dependents

\$480 deduction for each family member who is a dependent. (See definition of Dependent.)

Allowance for Disability Assistance Expenses

The amount of Disability Assistance Expense in excess of three percent of annual income which enables a family member (including the disabled person) to work. The allowance may not exceed the annual income earned by the family member who is enabled to work. Disability assistance expenses include costs for care attendants and auxiliary apparatus (e.g., wheelchairs, adaptations, to vehicles, special equipment) if directly related to permitting the disabled person or other family members to work.

Allowance for Medical Expenses

For Elderly and Disabled Families (see definition of Elderly Family below) the amount of medical expenses (see definition of Medical Expenses below) in excess of three percent of annual income.

Annual Income

The anticipated total annual income, before deductions, of an eligible family from all sources for the 12-month period following the date of determination of income. When the cash value of a family's assets is greater than \$5,000, the annual income derived from assets shall be the greater of the actual income derived or the imputed income computed at the passbook savings rate determined by HUD.

Applicant

A person who has filled out an application or pre-application with MHA for housing assistance.

Application

The full, formal and complete family information form signed by the head of household when the family is invited for an interview before a vacant apartment is anticipated. The applicant's signature on the application form certifies that all information provided is complete and accurate.

Assets

The value of equity in real property, savings, stocks, bonds, checking, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is not considered an asset. The value of such assets will be determined in accordance with HUD guidance.

Certification

To formally confirm the information provided in a document through signature.

Child

A child is defined as a minor.

Child Care Expenses

Amounts anticipated to be paid by the family for the care of children under 13 years of age (including foster children) during the period for which Annual Income is computed, but only where such care is necessary to enable a family member to be gainfully employed or to further his or her education. The amount deducted shall reflect reasonable charges for childcare, and in the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment.

Citizen

Means a citizen or national of the United States.

Continuously Assisted

An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance or was receiving assistance in the past 90 days under any 1937 Housing Act program when the family is admitted to the Voucher Program.

Dependent

A member of the household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person, or is a Fulltime Student.

Disabled Family

A family in which the head of household, spouse, or co-head of household is a disabled person.

Disabled Person

A person is considered disabled if one of the following definitions is met.

- a. Section 223 of the Social Security Act defines disability as an inability to engage in any substantial gainful activity because of any physical or mental impairment that is expected to result in death or has lasted or can be expected to last continuously for at least 12 months; or, for a blind person at least 55 years old, inability because of blindness to engage in any substantial gainful activities comparable to those in which the person was previously engaged with some regularity and over a substantial period.
- b. A person having a physical or mental impairment that:
 1. Is expected to be of a long-continued and indefinite duration;
 2. Substantially impedes his or her ability to live independently; and
 3. Is of such a nature that such ability could be improved by more suitable housing conditions.
- c. A developmental disability is a severe, chronic disability which:
 1. Is attributable to a mental and/or physical impairment;
 2. Was manifested before the age of 22;
 3. Is likely to continue indefinitely;

Results in substantial functional limitations in three or more of the following areas: capacity for independent living; self-care; receptive and expressive language; learning; mobility; self-direction; and economic self-sufficiency; AND

Requires special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned or coordinated.

- d. No individual shall be considered a person with disabilities, for the purpose of eligibility for Housing Choice Voucher Housing assistance, on the basis of any drug or alcohol dependence.

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 formally recognized pursuant to Federal disaster relief laws.

Elderly Family

A family whose head or spouse (or sole member) is a person who is 62 years of age or older. It may include two or more Elderly Persons living together, or one or more such persons living with one or more persons who are determined to be essential to their care or well being.

Elderly Person

A person who is at least 62 years of age.

Eviction

The dispossession of the tenant by the unit owner (in accordance with a court order) from the leased unit as a result of the termination of the lease, for serious or repeated violation of material terms of the lease such as failure to make payments due under the lease or to fulfill the tenant obligations set forth in HUD regulations, Federal, and Tennessee law, or for other good cause.

Extremely Low Income Family

A family whose Annual Income does not exceed 30% of the median income for the area, as determined by HUD with adjustments for smaller and larger families.

Family

A family includes any single individual or two or more persons sharing residency whose income and resources are available to meet the family's needs. A single, pregnant woman is considered a two-person family for purposes of the Housing Choice Voucher Program.

Family Share

The full amount of housing costs for which the family is responsible.

Family Rent to Owner

The amount paid by the family that is calculated by subtracting the amount of the housing assistance payment to the owner from the rent to owner.

Foster Care Payment

Payment to eligible households by state, local or private agencies for the care of a child placed in the home by an agency.

Full-time Student

A person who is carrying a subject load that is considered fulltime for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

Disability Assistance Expenses

Reasonable expenses in excess of three percent of annual income that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

Head of Household

An adult, 18 years of age or older, whom the members of the family have routinely looked to as the head of the family, and who is legally competent to sign a binding contract.

HUD

The U.S. Department of Housing and Urban Development or its designee.

INS

U.S. Immigration and Naturalization Service.

Lease

A written agreement between the family and the owner of a housing unit.

Live-in Aide

A person who resides with someone who is age 50 or older, disabled or handicapped person or persons and who:

- a. Is determined by MHA to be essential to the care and wellbeing of the person(s);
- b. Is not obligated for support of the person(s); and

Would not be living in the unit except to provide necessary supportive services.

A live-in aide does not qualify as the remaining member of a tenant family. A livein aide may include more than one person.

Low (Lower) Income Families

A family whose Annual Income does not exceed 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80% of the median income for the area on the basis of its finding that such variations are necessary because of prevailing levels of construction costs or unusually high or low family income.

Medical Expenses

Those medical expenses that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance, including medical insurance premiums, payments on accumulated major medical bills, dental expenses, prescription medicines, eyeglasses, hearing aids, and batteries, cost of care attendant, and transportation expenses directly related to medical treatment.

MHA

Memphis Housing Authority.

Minimum Rent

The minimum monthly rent contribution to be paid by a family assisted under the Housing Choice Voucher program. The minimum rent established by MHA is \$25 per month.

Mixed Family

A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

Monthly Adjusted Income

1/12 of Annual Adjusted Income.

Monthly Income

1/12 of Annual Income.

National

A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

Net Family Assets

Value of equity in real property, savings, stock, bonds, life insurance policies, and other forms of capital investment, excluding interests in Indian trust land. (The value of necessary items of personal property such as furniture and automobiles is excluded.)

In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining Annual Income.

In determining the Net Family Assets, MHA shall include the value of any assets greater than \$1000 which were disposed of by an applicant or tenant for less than fair market value (including

a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of any consideration received for the asset.

Overcrowded Household

A participant family with an insufficient number of bedrooms for the number of persons in the family, according to the HQS defined in the regulations.

Overhoused Household

A participant family with a greater number of bedrooms than required for the family members.

Pre-Application

A preliminary application form designed to collect information to determine preliminary eligibility for placement on the waiting list.

Portability Eligibility

Families whose head of household or spouse lived in the MHA jurisdiction at the time of application.

Reexamination

The process of securing documentation to recompute rent and subsidy and to determine that participants meet the eligibility requirements for continued assistance.

Re-examination Effective Date

The date established by MHA on which a rent change becomes effective following verification of all income, assets, expenses and circumstances. The anniversary of the first of the month the tenant was assisted under the assistance contract in effect.

Remaining Member of the Tenant Family

A person left in an assisted unit after other family members have vacated. The person must be of legal age to sign a contract (adult).

Rent to Owner

The rent charged by the owner, including owner paid utilities.

Single Person

A person who lives alone or intends to live alone.

Spouse

The husband or wife of the head of household.

Temporary Deferral of Termination of Assistance

A specific period of time in which the family would continue to receive full assistance before assistance is terminated.

Tolling

The suspension of the search time that a family is allotted on their voucher. If a family submits a Request for Tenancy Approval, which is denied, the family has lost some of their time to search for an approvable unit. The family has the number of days between the date they submit the disapproved Request for Tenancy approval and the day they are notified of the disapproval to their voucher, so that they are not penalized by failing to search while they are awaiting approval of a unit.

Total Family Income

Annual Income as defined above.

Total Tenant Payment

An amount equal to 30 percent of the family's monthly-adjusted income; 10 percent of the gross monthly income of the family occupying the dwelling unit; or the monthly minimum rent of \$25, whichever amount is greater. The Total Tenant Payment does not include charges for excess utility consumption or other miscellaneous charges.

Utility Allowance

An amount determined by MHA as an allowance for the cost of utilities (except telephone and cable TV) payable directly by the tenant.

Utility Reimbursement

The amount by which the Utility Allowance for the unit exceeds the Family Share (negative rent).

Very-Low Income Family

A Lower Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

Welfare Assistance

Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state or local governments. Also known as Temporary Assistance to Needy Families (TANF).

**Memphis Housing Authority
RESIDENTIAL LEASE AGREEMENT**

THIS LEASE IS IN TWO PARTS:

Part I establishes the Terms and Conditions of the lease. These apply to all residents;

Part II is a lease contract. This is executed by the resident and the Memphis Housing Authority (MHA), includes Part I Terms and Conditions (by reference) and the following information specific to each family's circumstances:

- Identification of all members of Resident household by relationship to the Head of the Household, their social security numbers, ages (at the time of lease execution) and dates of birth (DOB);
- Unit address, occupancy date, project name and number;
- Pro-rated and full monthly rent amount, security deposit required, prorated and full monthly utility allowance provided (if any), pro-rated and full monthly utility reimbursement (if any) and the amount of any other charges due under the lease;
- Utilities and appliances provided by the MHA with the unit;
- All pamphlets or informational materials provided to Resident;
- Signature line for the parties to the lease (all adult members of Resident household must sign the lease);
- Emergency telephone number for Resident to use if maintenance problems arise with the unit outside of normal MHA working hours.

PART I of the RESIDENTIAL LEASE AGREEMENT: TERMS AND CONDITIONS
Memphis Housing Authority

THIS LEASE AGREEMENT (called the "Lease") is between the Memphis Housing Authority, (called "MHA") and Resident named in Part II of this lease (called "Resident"). [966.4 (a)] "Resident" means the same thing as "Tenant". "Development" shall refer to all properties owned and/or managed by MHA or its agents or otherwise referred to in other regulations as "public housing" or "projects."

I. Description of the Parties and Premises: [966.4 (a)]

- (a) MHA, using data provided by Resident about income, family composition, and needs, leases to Resident, the property (called "premises" or "dwelling unit") described in Part II of this Lease Agreement, subject to the terms and conditions contained in this lease. [966.4 (a)]
- (b) Premises must be used as the only private residence of the Resident and the family members named on Part II of the Lease. The MHA may, by prior written approval, consent to Resident's use of the unit for legal profit-making activities subject to the MHA's policy on such activities. [966.4 (d)(1 & 2)]
- (c) Any additions to the household members named on the lease, including Live-in Aides and foster children, **but excluding natural births**, require the advance written approval of MHA. Such approval will be granted only if the new family members pass MHA's screening criteria and a unit of the appropriate size is available. Permission to add Live-in Aides and foster children shall not be unreasonably refused. [966.4 (a)(2)(v) & (d)(3)(i)]
Resident agrees to wait for MHA's approval before allowing additional persons to move into the Premises. Failure on the part of Resident to comply with this provision is a serious violation of the material terms of the lease, for which MHA may terminate the lease in accordance with Section XVI. [966.4 (f)(3)]; [966.4(1)(2)]
- (d) Resident shall report deletions (for any reason) from the household members named on the lease to the MHA in writing, within 10 days of the occurrence. [966.4 (c)(1) & (2) & (f)(3)]

II. Lease and Amount of Rent

- (a) Unless otherwise modified or terminated in accordance with Section XVI, this Lease shall automatically be renewed for successive terms of one calendar year. [966.4 (a)(2)]
The rent amount is stated in Part II of this Lease. Rent shall remain in effect unless adjusted by the MHA in accordance with Section VII herein. [966.4(b)(1)(c)]
The amount of the Total Resident Payment and Resident Rent shall be determined by the MHA in compliance with HUD regulations and requirements and in accordance with MHA's Admissions and Occupancy Policy. [966.4(b)(1) & (c)]
- (b) **Rent is DUE and PAYABLE in advance on the first day of each month and shall be considered delinquent after the tenth calendar day of the month.** Rent may include utilities as described in Section VII below, and includes all maintenance services due to normal wear and tear. [966.4 (e)(1) & (3)]
When MHA makes any change in the amount of Total Resident Payment or Resident Rent, MHA shall give written notice to Resident. The notice shall state the new amount and the date from which the new amount is applicable. Rent redeterminations are subject to the Administrative Grievance Procedure. The notice shall also state that Resident may ask for an explanation of how the amount is computed by MHA. If Resident asks for an explanation, MHA shall respond in a reasonable time. [966.4 (c)(4)]
- (c) If resident is delinquent in the payment of rent three times in a twelve-month period, the resident must attend a credit counseling class after the third delinquency as provided by MHA.

III. Other Charges: In addition to rent, Resident is responsible for the payment of certain other charges specified in this lease. The type(s) and amounts of other charges are specified in Part II of this Lease Agreement. Other charges can include [966.4 (b)(2)]

- (a) **Maintenance costs** -- This charge refers to cost for services or repairs due to intentional or negligent damage to the dwelling unit, common areas or grounds beyond normal wear and tear, caused by Resident, household members or by guests. When MHA determines that needed maintenance is not caused by normal wear and tear, Resident shall be charged for the cost of such service, either in accordance with the Schedule of Maintenance Charges posted by MHA or (for work not listed on the Schedule of Maintenance Charges) based on the actual cost to MHA for the labor and materials needed to complete the work. If overtime work is required, overtime rates shall be charged. [966.4 (b)(2)]
- (b) **Excess Utility Charges** -- At developments where utilities are provided by MHA, a charge shall be assessed for excess utility consumption due to the operation of major Resident-supplied appliances. This charge does not apply to Residents who pay their utilities directly to a utility supplier. [966.4 (b)(2)]
- (c) **Late Charges** -- A charge of the lesser of \$10 or 10% of the outstanding rent for rent paid after the tenth calendar day of the month. [966.4 (b)(3)] MHA shall provide written notice of the amount of any charge in addition to Resident Rent, and when the charge is due. Charges in addition to rent are due no sooner than two weeks after Resident receives MHA's written notice of the charge. [966.4 (b)(4)]

IV. Payment Location: Rent and other charges shall be paid at the Property Manager's office in their development. MHA will not accept cash. Residents who have submitted a check that is returned for insufficient funds shall be required to make all future payments by cashier's check or money order.

V. Security Deposit

- (a) **Resident Responsibilities:** Resident agrees to pay an amount equal to \$100. The dollar amount of the security deposit is noted on Part II of this Residential Lease. [966.4 (b)(5)] Payment of the security deposit is to be made upon execution of this lease unless MHA and Resident agree to an installment payment, which can be no less than \$10 per month for the following ten months of occupancy until the balance is paid. Installments on the Security Deposit will be maintained by MHA in a separate account at Tri-State Bank Of Memphis.
- (b) **MHA's Responsibilities:** MHA will use the Security Deposit at the termination of this Lease:
 - 1. To pay the cost of any rent or any other charges owed by Resident at the termination of this lease.
 - 2. To reimburse the cost of repairing any intentional or negligent damages to the dwelling unit caused by Resident, household members or guests.

The Security Deposit may not be used to pay rent or other charges while Resident occupies the dwelling unit. No refund of the Security Deposit will be made until Resident has vacated, and MHA has inspected the dwelling unit.

The return of a security deposit shall occur within thirty (30) days after Resident moves out. MHA agrees to return the Security Deposit, if any, to Resident when he/she vacates, less any deductions for any costs indicated above, so long as Resident furnishes MHA with a forwarding address. If any deductions are made, MHA will furnish Resident with a written statement of any such costs for damages and/or other charges deducted from the Security Deposit.

VI. Utilities and Appliances [966.4 (b)(1)(iv)]

- (a) **MHA Supplied Utilities:** If indicated by an (X) on Part II, MHA will supply the indicated utility: electricity, natural gas, heating fuel, water, sewer service, trash collection. MHA will not be liable for the failure to supply utility service for any cause whatsoever beyond its control.

If indicated by an (X) on Part II of the Lease Agreement, MHA will provide a cooking range and refrigerator. Other major electrical appliances, air conditioners, freezers, extra refrigerators, washers, dryers, etc., may be installed and operated only with the written approval of MHA. A monthly service charge will be payable by Resident for the electricity used in the operation of such appliances, as shown on the Schedule posted in the Project Office. **[966.4 (b)(2)]**

- (b) **Resident-Paid Utilities:** If Resident resides in a development where MHA does not supply electricity, natural gas, heating fuel, water, sewer service, or trash collection, an Allowance for Utilities shall be established, appropriate for the size and type of dwelling unit, for utilities Resident pays directly to the utility supplier. The Total Resident Payment less the Allowance for Utilities equals Resident Rent. If the Allowance for Utilities exceeds the Total Resident Payment, MHA will pay a Utility Reimbursement to the utility supplier each month, **unless the Resident is paying a Flat Rent. [960.253 (b)]**

MHA may change the Allowance at any time during the term of the lease, and shall give Resident sixty (60) days written notice of the revised Allowance along with any resultant changes in Resident Rent or Utility Reimbursement.

If Resident's actual utility bill exceeds the Allowance for Utilities, Resident shall be responsible for paying the actual bill to the supplier. If Resident's actual utility bill is LESS than the Allowance for Utilities, Resident shall receive the benefit of such saving.

- (c) **Resident Responsibilities:** Resident agrees not to waste the utilities provided by MHA and to comply with any applicable law, regulation, or guideline of any governmental entity regulating utilities or fuels. **[966.4 (f)(8)]**

Resident also agrees to abide by any local ordinance or House Rules restricting or prohibiting the use of space heaters in multi-dwelling units.

VII. Terms and Conditions: The following terms and conditions of occupancy are made a part of the Lease.

- (a) **Use and Occupancy of Dwelling:** Resident shall have the right to exclusive use and occupancy of the dwelling unit for Resident and other household members listed on the lease. With the prior written consent of MHA, members of the household may engage in legal profit-making activities in the dwelling unit. **[966.4 (d) (1) & (2)]**

This provision permits reasonable accommodation of Resident's guests or visitors for a period **not exceeding fourteen (14) days each year**. Permission may be granted, upon written request to the Manager, for an extension of this provision. **[966.4 (d)(1)]**

- (b) **Ability to comply with Lease terms:** If, during the term of this Lease, Resident, by reason of physical or mental impairment is no longer able to comply with the material provisions of this lease, and cannot make arrangements for someone to aid him/her in complying with the lease, and MHA cannot make any reasonable accommodation that would enable Resident to comply with the lease THEN; MHA will assist Resident, or designated member(s) of Resident's family, to find more suitable housing and move Resident from the dwelling unit. If there are no family members who can or will take responsibility for moving Resident, MHA will work with appropriate agencies to secure suitable housing and will terminate the Lease. **[8.3]**

At the time of admission, all Residents must identify the family member(s) to be contacted if they become unable to comply with lease terms.

- (c) **Redetermination of Rent, Dwelling Size, and Eligibility.** The rent amount as fixed in Part II of the Lease Agreement is due each month until changed as described below.

(1) The status of each family is to be re-examined at least once a year. **[966.4(c)(1) and 960.257(a)]** At the annual recertification Resident shall certify to compliance with the 8 hour per month community service requirement, if applicable. **[Part 960, subpart F]**

(2) Resident promises to supply MHA, when requested, with accurate information about: family composition, age of family members, income and source of income of all family members, assets, community service activities, and related information necessary to determine eligibility, annual income, adjusted income, and rent. **[966.4 (c)(2) and 960.259]**

Failure to supply such information when requested is a serious violation of the terms of the lease and MHA may terminate the lease.

All information must be verified. Resident agrees to comply with MHA requests for verification by signing releases for third-party sources, presenting documents for review, or providing other suitable forms of verification. **[966.4 (c)(2) and 960.259]**

MHA shall give Resident reasonable notice of what actions Resident must take, and of the date by which any such action must be taken for compliance under this section. This information will be used by MHA to decide whether the amount of the rent should be changed, and whether the dwelling size is still appropriate for Resident's needs.

This determination will be made in accordance with the Admissions and Occupancy Policy, which is publicly posted in the Development Office. A copy of the policies can be furnished on request at the expense of the person making the request.

- (3) Rent will not change during the period between regular reexaminations, UNLESS during such period: **[See 960.257]**

(a) Resident can verify a change in his/her circumstances (such as decline in or loss of income) that would justify a reduction in rent, except that rent shall not be reduced because a Resident's TANF grant is reduced because Resident is verified to have committed welfare fraud or failed to comply with a required economic self sufficiency program.

If a reduction is granted, Resident must report subsequent increases in income within 10 days of the occurrence, until the next scheduled re-examination. (Failure to report within the 10 days may result in a retroactive rent charge.)

(b) If it is found that Resident has misrepresented the facts upon which the rent is based so that the rent Resident is paying is less than the rent that he/she should have been charged, MHA then may apply an increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.

(c) Rent formulas or procedures are changed by Federal law or regulation.

- (4) All changes in family composition must be reported to the Property Manager within 10 days of the occurrence. Failure to report within the 10 days may result in a retroactive rent charge. **[966.4 (c) (2)]**

This Lease will NOT be revised to permit a change of family composition resulting from a request to allow adult children to move back into the unit unless it is determined that the move is essential for the mental or physical health of Resident AND it does not disqualify the family for the size unit it is currently occupying.

- (d) **Rent Adjustments:** Resident will be notified in writing of any rent adjustment due to the situations described above; All notices will state the effective date of the rent adjustment.

1. In the case of a rent decrease, the adjustment will become effective on the first day of the month following the reported change in circumstances, provided Resident reported the change in a timely manner, as specified above.
2. In the case of a rent increase, when an increase in income occurs after a prior rent reduction and is reported within 10 days of the occurrence, the increase will become effective the first day of the 2nd month following the month in which the change was reported.
3. In the case of a rent increase due to misrepresentation, failure to report a change in family composition, or failure to report an increase in income (after a reduction in rent per the fixed rent policy), MHA shall apply the increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.

- (e) **Transfers [966.4 (c)(3)]**

1. Resident agrees that if MHA determines that the size or design of the dwelling unit is no longer appropriate to Resident's needs, MHA shall send Resident written notice. Resident further agrees to accept a new lease for a different dwelling unit of the appropriate size or design.
2. MHA may move a Resident into another unit if it is determined necessary to rehabilitate or demolish Resident's unit.

3. If a Resident makes a written request for special unit features in support of a documented disability, MHA shall modify Resident's existing unit. If the cost and extent of the modifications needed are equivalent to those required for a fully accessible unit, MHA may transfer Resident to another unit with the features requested at MHA's expense.
 4. A Resident without disabilities that is housed in a unit with special features must transfer to a unit without such features should a Resident with disabilities need the unit at MHA's expense.
 5. In the case of involuntary transfers, Resident shall be required to move into the dwelling unit made available by MHA. Resident shall be given 15 days time in which to move following delivery of a transfer notice. If Resident refuses to move, MHA may terminate the Lease. **[966.4 (c)(3)]**
 6. Involuntary transfers are subject to the Grievance Procedure, and, other than emergencies, no such transfers may be made until either the time to request a Grievance has expired or the procedure has been completed. **[966.4 (c)(4)]**
 7. MHA will consider any Resident requests for transfers in accordance with the transfer priorities established in the Admissions and Occupancy Policies.
- (f) **Insurance** MHA is not responsible for, or will not provide fire or casualty insurance for the resident's personal property.

VIII. MHA Obligations [966.4 (e)]: MHA shall be obligated:

- (a) To maintain the dwelling unit and the development in decent, safe and sanitary condition; **[966.4 (e)(1)]**
- (b) To comply with all Resident obligations imposed by the Uniform Residential Landlord and Tenant Act and applicable provisions of building codes, housing codes, and HUD regulations materially affecting health and safety; **[966.4 (e)(2)]**
- (c) To make necessary repairs to the dwelling unit; **[966.4 (e)(3)]**
- (d) To keep development building, facilities, and common areas, not otherwise assigned to Resident for maintenance and upkeep, in a clean and safe condition; **[966.4 (e)(4)]**
- (e) To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators supplied or required to be supplied by MHA; **[966.4 (e)(5)]**
- (f) To provide and maintain appropriate receptacles and facilities (except container for the exclusive use of an individual Resident family) for the deposit of garbage, rubbish, and other waste removed from the premise by Resident as required by this Lease; **[966.4 (e)(6)]**
- (g) To supply running water and reasonable amounts of hot water and reasonable amount of heat at appropriate times of the year according to local custom and usage; EXCEPT where the building that includes the dwelling unit is not required to be equipped for that purpose, or where heat or hot water is generated by an installation within the exclusive control of Resident and supplied by a direct utility connection; **[966.4 (e)(7)]**
- (h) To notify Resident of the specific grounds for any proposed adverse action by MHA. (Such adverse action includes, but is not limited to: a proposed lease termination, transfer of Resident to another unit, change in amount of rent, or imposition of charges for maintenance and repair, or for excess consumption of utilities.) When MHA is required to afford Resident the opportunity for a hearing under the MHA grievance procedure for a grievance concerning a proposed adverse action:
 1. The Notice of the proposed adverse action shall inform Resident of the right to request such hearing. In the case of lease termination, a notice of lease termination that complies with **966.4(l)(3)** shall constitute adequate notice of proposed adverse action.
 2. In the case of a proposed adverse action other than a proposed lease termination, MHA shall not take the proposed action until time to request such a hearing has expired or (if hearing was timely requested) the grievance process has been completed. **[966.4 (e)(8)]**

IX. Resident's Obligations: Resident shall be obligated:

- (a) Not to assign the Lease, nor sublease the dwelling unit. **[966.4 (f)(1)]**
- (b)
 - 1. Not to give accommodation to boarders or lodgers; **[966.4 f(2)]**
 - 2. Not to give accommodation to long term guests (in excess of 14 days per year) without the advance written consent of MHA.
- (c) To use the dwelling unit solely as a private dwelling for Resident and Resident's household as identified in PART II of the Lease, and not to use or permit its use for any other purpose. **[966.4 (f)(3)]**

This provision does not exclude the care of foster children or live in care of a member of Resident's family, provided the accommodation of such persons conforms to MHA's Occupancy standards, and so long as MHA has granted prior written approval for the foster child(ren), or live in aide to reside in the unit. **[966.4 (d)((3)(i))]**
- (d) To abide by necessary and reasonable regulations promulgated by MHA for the benefit and wellbeing of the housing development and Residents. These regulations shall be posted in a conspicuous manner in the development office and incorporated by reference in this Lease Violation of such regulations constitutes a violation of the Lease. **[966.4 (f)(4)]**
- (e) To comply with the obligations imposed by f the Uniform Residential Landlord and Tenant Act and other applicable state and local building or housing codes, materially affecting health and/or safety of Resident and household. **[966.4(f)(5)]**
- (f) To keep the dwelling unit and other such areas as may be assigned to Resident for Resident's exclusive use, in a clean and safe condition. **[966.4(f)(6)]** This includes keeping front and rear entrances and walkways for the exclusive use of Resident, free from hazards and trash and keeping the yard free of debris and litter. Exceptions to this requirement, may be made for Residents who have no household members able to perform such tasks because of age or disability. **[966.4 (g)]**
- (g) To dispose of all garbage, rubbish, and other waste from the dwelling unit in a sanitary and safe manner only in containers approved or provided by MHA. **[§ 966.4(f)(7)]** To refrain from, and cause members of Resident's household or guest to refrain from, littering or leaving trash and debris in common areas.
- (h) To use, only in reasonable manner, all electrical, sanitary, heating, ventilating, air-conditioning, and other facilities and appurtenances, including elevators. **[966.4(f)(8)]**
- (i) To refrain from, and to cause household members and guests to refrain from destroying, defacing, damaging, or removing any part of dwelling unit or development. **[966.4 (f)(9)]**
- (j) To pay reasonable charges (other than for normal wear and tear) for the repair of damages to the dwelling unit, development buildings, facilities, or common areas caused by Resident, household members or guests. **[§ 966.4(f)(10)]**
- (k) To act, and cause household members or guests to act, in a manner that will:
 - 1. Not disturb other residents' peaceful enjoyment of their accommodations wherever located; and/or
 - 2. Be conducive to maintaining all MHA developments, wherever located, in a decent, safe, sanitary and crime-free condition. **[966.4 (f)(11)]**
- (l) To refrain from, cause, and assure that Resident, any member of the household, a guest, or another person under Resident's control, shall not engage in:
 - 1. Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of MHA's public housing premises by other residents or employees of MHA, or;
 - 2. Any drug-related criminal activity. Any criminal activity, in violation of the preceding sentence, shall be cause for termination of tenancy, and for eviction from the unit. (For the purposes of this lease, the term drug-related criminal activity means the illegal possession, manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use, of a controlled substance as defined in Section 102 of the Controlled Substances Act.) **[966.4 (f)(12)]**
 - 3. MHA and Resident agree that, for the purposes of this Lease, the phrase "under Resident's control" refers to or is only applicable to "another person".

4. MHA and Resident agree that Resident has an affirmative obligation to take reasonable steps to prevent or halt illegal activity known or should have been known to the Resident by immediately contacting MHA or seek outside intervention from law enforcement officials or social service agencies.
 5. MHA and Resident agree that the Resident retains strict liability for the action of a member of the Resident's household or guest, as required by applicable local, state or federal law.
 6. MHA and Resident also agree and understand that this section is not applicable to business invitees, i.e., pizza delivery persons, private repairmen, etc.
- (m) To make no alterations or repairs or redecorations to the interior of the dwelling unit or to the equipment, nor to install additional equipment or major appliances without written consent of MHA. To make no changes to locks or install new locks on exterior doors without MHA's written approval. To use no nails, tacks, screws, brackets, or fasteners on any part of the dwelling unit (a reasonable number of picture hangers excepted) without authorization by MHA.
 - (n) To give prompt prior notice to MHA, in accordance with Section VIII hereof, of Resident's leaving dwelling unit unoccupied for any period exceeding one calendar week.
 - (o) To act in a cooperative manner with neighbors and MHA Staff. To refrain from and cause members of Resident's household or guests to refrain from acting or speaking in an abusive or threatening manner toward neighbors and MHA staff.
 - (p) Not to display, use, or possess or allow members of Resident's household or guests to display, use or possess any illegal firearms, (operable or inoperable) or other illegal weapons as defined by the laws and courts of the State of Tennessee anywhere on the property of MHA.
 - (q) To take reasonable precautions to prevent fires, and to refrain from storing or keeping flammable materials upon the premises as well as refrain from the removal or disconnection of smoke alarms or removal of batteries thereto
 - (r) To avoid obstructing sidewalks, areaways, galleries, passages, elevators, or stairs, and to avoid using these for purposes other than going in and out of the dwelling unit.
 - (s) To refrain from erecting or hanging radio or television antennas on or from any part of the dwelling unit, except that roof antennas, satellite dishes or cable services may be installed in accordance with regulations set forth by MHA or local, state or federal laws.
 - (t) To refrain from placing signs of any type in or about the dwelling except those allowed under applicable zoning ordinances and then only after having received written permission of MHA.
 - (u) To refrain from, and cause members of Resident's household to refrain from keeping, maintaining, harboring, or boarding any animal of any nature in the dwelling unit except in accordance with the MHA's pet policy, unless a verified disability warrants the possession of a service animal or companion animal.
 - (v) To remove from MHA property any vehicles without valid registration and parking passes. To refrain from parking any vehicles in any right-of-way or fire-lane designated and marked by MHA. To comply with and cause household members and guests to comply with MHA's posted signage regarding traffic lanes and parking restrictions, including, but not limited to traffic lanes, fire lanes, fire hydrants, handicapped areas, and blocking of trash receptacles. Any inoperable, unlicensed, nuisance or unauthorized vehicle, as defined by local or state law, will be removed from MHA property at Owner's expense following notice as required by local or State law. Ongoing automobile repairs are not permitted on development site.
 - (w) To remove any personal property left on MHA premises when Resident leaves, abandons or surrenders the dwelling unit.
 - (x) To use reasonable care to keep Resident's dwelling unit in such condition as to ensure proper health and sanitation standards for Resident, household members and neighbors. **RESIDENT SHALL NOTIFY THE AUTHORITY PROMPTLY OF KNOWN NEED FOR REPAIRS TO RESIDENT'S DWELLING UNIT**, and of known unsafe or unsanitary conditions in the dwelling unit or in common areas and grounds of the Development. Resident's failure to report the need for repairs in a timely manner shall be considered to contribute to any damage that occurs.

- (y) Not to commit any fraud in connection with any Federal housing assistance program, and
- (z) Not to receive assistance for occupancy of any other unit assisted under any Federal housing assistance program during the term of the lease.
- (aa) To pay promptly any utility bills for utilities supplied to Resident by a direct connection to the utility company, and to avoid disconnection of utility service for such utilities.
- (bb) To report any and all changes in total family income, assets and family composition to the MHA Development office within ten (10) days after they occur.
- (cc) To comply with the community service requirement for each adult in the Resident household to perform at least 8 hours per month of qualifying community service or qualifying economic self sufficiency activity (as specified by the MHA) unless the requirement is waived due to age, disability, or the fact that an adult is excused from this requirement because he/she is working, attending an educational institution, or participating in some other qualified training program.
- (dd) To ensure and comply with local and state school attendance requirements for applicable members of the Resident's household.
- (ee) To attend a credit counseling class as provided by MHA upon three delinquent rental payments in a twelve-month period.
- (ff) Not to violate or breach any terms in the Self-Reliance or Self Sufficiency Agreement. The breach or violation of an Economic Self-Reliance or Self-Sufficiency agreement or the inability to meet rental obligations under the Self Reliance or Self Sufficiency Agreement is a material breach of the lease agreement.

X. Defects Hazardous to Life, Health or Safety: In the event that the dwelling unit is damaged to the extent that conditions are created that are hazardous to the life, health, or safety of the occupants: **[966.4 (h)]**

MHA Responsibilities:

- (a) MHA shall be responsible for repair of the unit within a reasonable period of time after receiving notice from Resident, provided, if the damage was caused by Resident, household members, or guests, the reasonable cost of the repairs shall be charged to Resident. **[966.4 (h)(2)]**
- (b) MHA shall offer Resident a replacement dwelling unit, if available, if necessary repairs cannot be made within a reasonable time. MHA is not required to offer Resident a replacement unit if Resident, household members, or guests caused the hazardous condition. **[966.4 (h)(3)]**
- (c) Resident shall accept any replacement unit offered by MHA.
- (d) In the event MHA, as described above cannot make repairs, and alternative accommodations are unavailable, then rent shall abate in proportion to the seriousness of the damage and loss in value as a dwelling. No abatement of rent shall occur if Resident rejects alternative accommodations or if Resident, household members, or guests caused the damage. **[966.4 (h)(4)]**
- (d) If MHA determines that the dwelling unit is uninhabitable because of imminent danger to the life, health, and safety of Resident, and Resident refuses alternative accommodations, this Lease shall be terminated, and any rent paid will be refunded to Resident.

Resident Responsibilities:

- (a) Resident shall immediately notify the Development Manager of the damage and intent to abate rent, when the damage is or becomes sufficiently severe that Resident believes he/she is justified in abating rent **[966.4 (h)(1)]**
- (b) Resident agrees to continue to pay full rent, less the abated portion agreed upon by MHA, during the time in which the defect remains uncorrected.

XI. Move-in and Move-out Inspections

- (a) **Move-in Inspection:** MHA and Resident or representative shall inspect the dwelling unit prior to occupancy by Resident. MHA will give Resident a written statement of the condition of the dwelling unit, both inside and outside, and note any equipment provided with the unit. The statement shall be signed by MHA and Resident and a copy of the statement retained in Resident's folder. **[966.4 (i)]** MHA will correct any deficiencies noted on the inspection report, at no charge to Resident.
- (b) **Move-out Inspection** -- MHA will inspect the unit at the time Resident vacates and give Resident a written statement of the charges, if any, for which Resident is responsible. Resident and/or representative may join in such inspection, unless Resident vacates without notice to MHA. **[966.4 (i)]**

XII. Entry of Premises During Tenancy

- (a) **Resident Responsibilities--**
 1. Resident agrees that the duly authorized agent, employee, or contractor of MHA will be permitted to enter Resident's dwelling during reasonable hours (8:00 A.M. to 4:30 P.M.) for the purpose of performing routine maintenance, making improvements or repairs, inspecting the unit, or showing the unit for releasing **[966.4 (j)(1)]**
 2. When Resident calls to request maintenance on the unit, MHA shall attempt to provide such maintenance at a time convenient to Resident. **IF RESIDENT IS ABSENT FROM THE DWELLING UNIT WHEN MHA COMES TO PERFORM MAINTENANCE, RESIDENT'S REQUEST FOR MAINTENANCE SHALL CONSTITUTE PERMISSION TO ENTER.**
- (b) **MHA's Responsibilities--**
 1. MHA shall give Resident at least 48 hours written notice that MHA intends to enter the unit. MHA may enter only at reasonable times. **[966.4 (j)(1)]**
 2. MHA may enter Resident's dwelling unit at any time without advance notification when there is reasonable cause to believe that an emergency exists **[966.4 (j)(2)]**
 3. If Resident and all adult members of the household are absent from the dwelling unit at the time of entry, MHA shall leave in the dwelling unit a written statement specifying the date, time and purpose of entry prior to leaving the dwelling unit. **[966.4 (j)(3)]**

XIII. Notice Procedures

- (a) **Resident Responsibility--** Any notice to MHA must be in writing, delivered to the Development Office or to MHA's central office, or sent by prepaid first-class mail, properly addressed. **[966.4 (k)(1)(ii)]**
- (b) **MHA Responsibility --** Notice to Resident must be in writing, delivered to Resident or to any adult member of the household residing in the dwelling unit, or sent by first-class mail addressed to Resident. **[966.4 (k)(1)(i)]**
- (c) Unopened, cancelled, first class mail returned by the Post Office shall be sufficient evidence that notice was given.
- (d) If Resident is visually impaired, all notices must be in an accessible format. **[966.4 (k)(2)]**

XIV. Termination of the Lease

In terminating the Lease, the following procedures shall be followed by MHA and Resident:

- (a) This Lease may be terminated only for serious or repeated violations of material terms of the Lease, such as failure to make payments due under the lease or to fulfill Resident obligations set forth in section IX above, or for other good cause. **[966.4 (l)(2)]** **Resident agrees that the violation of any of the obligations of residents A thru dd is a serious violation of a material term of the lease, and is good cause for termination of the lease.**

Such serious or repeated violation of terms shall include but not be limited to:

1. The failure to pay rent or other payments when due; **[966.4 (l)(2)]**

2. Repeated late payment, which shall be defined as failure to pay the amount of rent or other charges due by the tenth of the month. Four such late payments within a 12-month period shall constitute a repeated late payment; **[966.4 (l)(2)]**
 3. Failure to pay utility bills when Resident is responsible for paying such bills directly to the supplier of utilities; **[966.4 (l)(2)]**
 4. Misrepresentation of family income, assets, or composition; **[966.4 (c)(2)]**
 5. Failure to supply, in a timely fashion, any certification, release, information, or documentation on Family income or composition needed to process annual reexaminations or interim redeterminations. **[966.4 (c)(2)]**
 6. Serious or repeated damage to the dwelling unit; creation of physical hazards in the unit, common areas, grounds, or parking areas of any development site; **[966.4 (l)(2)]**
 7. Criminal activity by Resident, household member, guest, or other person under Resident's control, including criminal activity that threatens the health, safety or right to peaceful enjoyment of MHA's public housing premises by other residents, or any drug-related criminal activity. **[966.4 (l)(2)]**
 8. Illegal weapons or illegal drugs seized in a MHA unit by a law enforcement officer; **[966.4 (l)(2)]**
 9. Any fire on MHA premises caused by carelessness or unattended cooking as well as removal or disconnection of smoke alarms or removal of batteries thereto. **[966.4 (l)(2)]**
 10. **PERMITTING PERSONS OTHER THAN THOSE LISTED ON THE LEASE TO LIVE IN THE UNIT. [966.4 (1) (20)(i) (B)]**
- (b) MHA shall give written notice of the proposed termination of the Lease within
1. 14 days in the case of failure to pay rent;
 2. 3 days in the case of violence or threats to health, safety or welfare of persons or property as provided by T.C.A. § 66-28-517.
 3. A reasonable time, but not to exceed thirty days, considering the seriousness of the situation when the health or safety of other Residents or MHA staff is threatened
 4. 30 days in any other case. **[966.4 (l)(3)(i)(A), (B) & (C)]**
- (c) The notice of termination:
1. The notice of termination to Resident shall state specific reasons for the termination, shall inform Resident of his/her right to make such reply as he/she may wish, and Resident's right to examine MHA documents directly relevant to the termination or eviction. **[966.4 (l)(3)(ii)]**
 2. When MHA is required to offer Resident the opportunity for a grievance hearing, the notice shall also inform Resident of the right to request such a hearing in accordance with MHA's grievance procedures. **[966.4 (l)(3)(ii)]**
 3. Any notice to vacate (or quit) that is required by State or local law may be combined with, or run concurrently with the notice of lease termination under this section. **[966.4 (l)(3)(iii)]** The Notice to Vacate must be in writing, and specify that if Resident fails to quit the premises within the applicable statutory period, appropriate action will be brought against Resident, and Resident may be required to pay the costs of court and attorney's fees.
 4. When MHA is required to offer Resident the opportunity for a grievance hearing concerning the lease termination under MHA's grievance procedure, the tenancy shall not terminate (even if any Notice to Vacate under State or local law has expired) until the period to request a hearing has expired, or (if a hearing is requested) the grievance process has been completed. **[966.4 (l)(3)(iv)]**
 5. When MHA is not required to offer Resident the opportunity for a hearing under the grievance procedure and MHA has decided to exclude such grievance for MHA grievance procedure, the notice of lease termination shall (a) state that Resident is not entitled to a grievance hearing on the termination; (b) specify the judicial eviction procedure to be used by MHA for eviction and state that HUD has determined that this eviction procedure provides the opportunity for a hearing in a court that contains the basic elements of due process as

defined in HUD regulations; and (c) state whether the eviction is for a criminal activity that threatens health or safety of residents or staff or for drug-related criminal activity. [966.4 (I)(3)(v)]

6. MHA may evict Resident from the unit only by bringing a court action.[966.4 (I)(4)]
- (d) Resident may terminate this Lease at any time by giving thirty days written notice as described in Section XIII, above.
- (e) In deciding to evict for criminal activity, MHA shall have discretion to consider (or not to consider) all of the circumstances of the case, including the seriousness of the offense, the extent of participation by or awareness of family members, prior criminal records (whether known or should have been known by the Resident) and the effects that the eviction would have both on family members not involved in the proscribed activity and on the family's neighbors. In appropriate cases, MHA may permit continued occupancy by remaining family members and may impose a condition that family members who engaged in the proscribed activity will neither reside in nor visit the unit. MHA may require a family member who has engaged in the illegal use of drugs to present credible evidence of successful completion of a treatment program as a condition to being allowed to reside in the unit. [966.4 (I)(5)]
- (f) When MHA evicts a Resident from a dwelling unit for criminal activity MHA shall notify the local post office serving that dwelling unit that such individual or family is no longer residing in the unit so the post office will stopmail delivery for such persons and they will have no reason to return to the unit. [966.4 (I)(5)(iii) (B)]

XV. Waiver: No delay or failure by MHA in exercising any right under this lease agreement, and no partial or single exercise of any such right shall constitute a waiver (post or prospective) of that or any other right, unless otherwise expressly provided herein.

XVI. Housekeeping Standards: In an effort to improve the livability and conditions of the apartments owned and/or managed by MHA or agents, uniform standards for resident housekeeping have been developed for all Resident families.

- (a) **MHA Responsibility:** The standards that follow will be applied fairly and uniformly to all Residents. MHA will inspect each unit at least annually, to determine compliance with the standards. Upon completion of an inspection MHA will notify Resident in writing if he/she fails to comply with the standards. MHA will advise Resident of the specific correction(s) required establishing compliance, and indicating that training is available. Within a reasonable period of time, MHA will schedule a second inspection. Failure of a second inspection will constitute a violation of the lease terms.

Training will be available at no cost to any Resident requesting or needing assistance in complying with the Housekeeping Standards.

- (b) **Resident responsibility:** Resident is required to abide by the standards set forth below. **FAILURE TO ABIDE BY THE HOUSEKEEPING STANDARDS, INCLUDING REFUSAL TO ATTEND HOUSEKEEPING CLASSES AFTER HAVING BEEN FOUND IN VIOLATION OF HOUSEKEEPING STANDARDS THAT RESULTS IN THE CREATION OR MAINTENANCE OF A THREAT TO HEALTH OR SAFETY IS A VIOLATION OF THE LEASE TERMS AND CAN RESULT IN EVICTION.**

- (c) **Housekeeping Standards: Inside the Apartment**

General--

- (1) Walls: should be clean, free of dirt, grease, holes, cobwebs, and fingerprints.
- (2) Floors: should be clean, clear, dry and free of hazards.
- (3) Ceilings: should be clean and free of cobwebs.
- (4) Windows: should be clean and not nailed shut. Shades or blinds should be intact.
- (5) Woodwork: should be clean, free of dust, gouges, or scratches.
- (6) Doors: should be clean, free of grease and fingerprints. Doorstops should be present. Locks should work.
- (7) Heating units: should be dusted and access uncluttered.

- (8) Trash: shall be disposed of properly and not left in the unit.
- (9) Entire unit should be free of rodent or insect infestation.
- (10) Smoke Alarms: should be operational, tested monthly, with sufficient battery or current.

Kitchen--

- (1) Stove: should be clean and free of food and grease.
- (2) Refrigerator: should be clean. Freezer door should close properly and freezer have no more than one inch of ice.
- (3) Cabinets: should be clean and neat. Cabinet surfaces and countertop should be free of grease and spilled food. Cabinets should not be overloaded. Storage under the sink should be limited to small or lightweight items to permit access for repairs. Heavy pots and pans should not be stored under the sink.
- (4) Exhaust Fan: should be free of grease and dust.
- (5) Sink: should be clean, free of grease and garbage. Dirty dishes should be washed and put away in a timely manner.
- (6) Food storage areas: should be neat and clean without spilled food.
- (7) Trash/garbage: should be stored in a covered container until removed to the disposal area.

Bathroom--

- (1) Toilet and tank: should be clean and odor free.
- (2) Tub and shower: should be clean and free of excessive mildew and mold. Where applicable, shower curtains should be in place, and of adequate length.
- (3) Lavatory: should be clean
- (4) Exhaust fans: should be free of dust.
- (5) Floor should be clean and dry.

Storage Areas--

- (1) Linen closet: should be neat and clean.
- (2) Other closets: should be neat and clean. **NO HIGHLY FLAMMABLE MATERIALS SHOULD BE STORED IN THE UNIT.**
- (3) Other storage areas: should be clean, neat and free of hazards.

(d) **Housekeeping Standards: Outside the Apartment**

The following standards apply to family and scattered site development only; some standards apply only when the area noted is for the exclusive use of Resident:

- (1) Yards: should be free of debris, trash, and abandoned cars. Exterior walls should be free of graffiti.
- (2) Porches (front and rear): should be clean and free of hazards. Any items stored on the porch shall not impede access to the unit.
- (3) Steps (front and rear): should be clean, and free of hazards.
- (4) Sidewalks: should be clean and free of hazards.
- (5) Storm doors: should be clean, with glass or screens intact.
- (6) Parking lot: should be free of abandoned cars. There should be no car repairs in the lots.
- (7) Hallways: should be clean and free of hazards.
- (8) Stairwells: should be clean and uncluttered.
- (9) Laundry areas: should be clean and neat. Remove lint from dryers after use.
- (10) Utility room: should be free of debris, motor vehicle parts, and flammable materials.

RESIDENT AGREES THAT ALL THE PROVISIONS OF THIS LEASE HAVE BEEN READ AND ARE UNDERSTOOD AND FURTHER AGREES TO BE BOUND BY ITS PROVISIONS AND CONDITIONS AS WRITTEN. (SIGNATURE REQUIRED ON PART II OF THE LEASE.)

PART II of the RESIDENTIAL LEASE AGREEMENT

Memphis Housing Authority

THIS AGREEMENT is executed between the Memphis Housing Authority (herein called "MHA"), and (herein called the "Tenant"), and becomes effective as of

- (1) Unit: That the MHA, relying upon the representations of Tenant as to Tenant's income, household composition and housing need, leases to Tenant (upon Terms and Conditions set forth in Part I of this Lease agreement) the dwelling unit LOCATED _____ (and hereafter called the "premises") to be occupied exclusively as a private residence by The Tenant and household. The Tenant UNIT NUMBER is

The Tenant's Account Number is:

The development number is:

The development name is:

Tenant's Auto License number is _____

Make _____ Model _____ Auto

VIN No. _____

2. Household Composition: The Tenant's household is composed of the individuals listed below. (Other than the Head or Spouse, each household member should be listed by age, oldest to youngest. All members of the household over age 18 shall execute the lease.
3. Term: The term of this lease shall be one calendar year, renewed as stipulated in Part I of the lease.
4. Rent: Initial rent (prorated for partial month) shall be \$_____. ____ and, if applicable, the Tenant shall receive the benefit of \$_____. ____ from MHA for Utility Reimbursement (for partial month) paid to the Utility supplier for the period beginning ____/____/____ and ending at midnight on ____/____/____.

Thereafter, rent in the amount of \$_____. ____ per month shall be payable in advance on the first day of each month, and shall be delinquent after the tenth (10th) day of each month. A utility reimbursement of _____ per month (if applicable) shall be paid to the utility supplier by MHA for the Tenant.

5. Utilities and Appliances: MHA-Supplied Utilities.

If indicated by an (X) below, MHA provides the indicated utility as part of the rent for the premises:

Electricity Natural Gas Heating Fuel Water
 Sewerage Other: _____

If indicated by an (X) below, MHA shall provide the following appliances for the premises:

Cooking Range Refrigerator

6. Utility Allowances: Tenant-Paid Utilities. If indicated by an (X) below, MHA shall provide Tenant with a Utility Allowance in the monthly amount totaling \$_____ for the following utilities paid directly by the Tenant to the Utility Supplier:

Electricity Gas Heat Water
 Sewerage Trash removal

7. Charges for Excess Appliances (Not applicable to tenants who pay utilities directly to the utility supplier.) Charges for excess appliances are due per the following:

Air Conditioners: An additional charge of \$_____ per month will be payable for each air conditioner in the premises for each month of occupancy.

Other Appliances: if checked below, an additional charge of \$_____ per month for each month of occupancy for each excess appliance on the premises.

Second Color TV Second Stereo
 Automatic Washer Electric Space Heater
 Extra Refrigerator Other: _____

8. Security Deposit: Tenant agrees to pay \$100 as a security deposit. See Part I of this lease for information on treatment of the Security Deposit.
9. Parking Pass: The parking pass issued to Tenant is _____.
10. Execution: By Tenant's signature below, Tenant and household agree to the terms and conditions of Part I and II of this lease and all additional documents made a part of the lease by reference.

By signature (s) below I/we also acknowledge that the Provisions of Part I of this Lease Agreement have been received and thoroughly explained to me/us.

TENANT _____	DATE _____
CO-TENANT _____	DATE _____
ADULT HOUSEHOLD MEMBER _____	DATE _____
ADULT HOUSEHOLD MEMBER _____	DATE _____
ADULT HOUSEHOLD MEMBER _____	DATE _____
MANAGER _____	DATE _____
WITNESS _____	DATE _____

TENANT'S CERTIFICATION

I, _____ hereby certify that I, and other members of my household, have not committed any fraud in connection with any federal housing assistance program, unless such fraud was fully disclosed to MHA before execution of the lease, or before MHA approval for occupancy of the unit by the Household member. I further certify that all information or documentation submitted by myself or other Household members to MHA in connection with any federal housing assistance program (before and during the lease term) are true and complete to the best of my knowledge and belief.

Tenant's Signature

Date

ATTACHMENTS:

If indicated by an (X) below, MHA has provided the tenant with the following attachments and information:

- () Part I of this Lease
- () Pet Policy
- () Standard Maintenance Charges
- () Watch Out for Lead Paint Poisoning
- () Grievance Procedure
- () Housekeeping Standards
- () Other: _____

STATEMENT ON RECEIPT OF INFORMATION

I/We have received a copy of the above information including “The Danger of Lead Poisoning to Homeowners” and “The Danger of Lead Poisoning to Renters.” The above information has been thoroughly explained to me/us. I/We understand the possibility the lead—based paint may exist in the unit.

Tenant’s Signature _____
Date

OFFICE ADDRESS _____

HOURS: 8:00 AM -- 4:30 PM

TELEPHONE NUMBER: