



AGENDA AND NOTICE

Board of Commissioners Meeting
Tuesday, June 26, 2018



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**Spartanburg Housing Authority
Regular Board Meeting**

**Tuesday, June 26, 2018
04:00 P.M.**

NOTICE

The Housing Authority of the City of Spartanburg will hold its regularly scheduled Board of Commissioner's meeting at 04:00 P.M. Tuesday, June 26, 2018, in the Executive Board Room at the Spartanburg Housing Authority offices, located at 2271 S. Pine St., Spartanburg, S.C., 29302.

AGENDA

CALL MEETING TO ORDER

I. Moment of Silence

II. Roll Call

III. Introduction of Visitors

IV. Approval of Agenda

V. Approval of Minutes:

- a. Special Board Meeting April 18, 2018
- b. Regular Board Meeting, April 30, 2018

VI. Commission Comments

VII. Public/Staff Comments

VIII. Information Items:

- a. Public Housing Assessment System(PHAS) Score for Interim Rule
 - i. Standard Performer Notification - SC003 09/302016
- b. Food Program: Verbal Report – Natalie Smith

IX. Action Items and Resolutions:

- a. Resolution #2018-24 - Revised By-Laws
- b. Resolution #2018-25 - FY2018 Budget Revision Submission
- c. Resolution #2018-26 - Award Annual Audit Contract
- d. Resolution #2018-27 - Smoke Free Policy
- e. Resolution #2018-28 - Lease and Community Rules
- f. Resolution #2018-29 – ACOP
- g. Resolution #2018-30 – Approval of Annual and Five Year Plan

X. Monthly Reports:

- a. CEO Report (Ms. Bates)
- b. Finance (Angela Leopard)
- c. SHA Program Dashboard
 - i. Asset Management (Jessica Holcomb)
 - ii. Capital Fund and Development (Joseph Jackson)
 - iii. Housing Choice Voucher (Tiffany Askew)

XI. Executive Session:

- a.** To discuss a personnel matter pursuant to Section 30-4-70 (a) (1) of the South Carolina Code.
- b.** Negotiations incident to proposed contractual arrangements (property) matter pursuant to Section 30-4-70 subpart A subpart 2 of the South Carolina Code (contract issue, same as the

XII. Adjournment



**Approval of Minutes –
Special Board Meeting
April 18, 2018**

**Board of Commissioners Meeting
Tuesday, June 26, 2018**



**MINUTES OF THE SPECIAL MEETING OF THE
COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY
OF SPARTANBURG, SPARTANBURG, SOUTH CAROLINA
April 18, 2018**

MEETING CALLED TO ORDER: The meeting was held in the Executive Board Room of the Spartanburg Housing Authority, 2271 South Pine Street, Spartanburg, SC 29302.

Chairman Charles White called the meeting to order at 12:02 P.M. with a moment of silence.

MOMENT OF SILENCE: - *observed*

PRESENT: Charles White, Molly Talbot-Metz, Andrew Poliakoff, Brenda Thomas, and Matthew Myers

ABSENT: John O Fairey, Jr.

EXECUTIVE SESSION

A motion was made by Commissioner Myers to enter Executive session; a second was made by Commission Poliakoff. Executive session was entered into at 12:09 pm.

Executive session ended at 1:13 pm. A motion to end Executive session and was made by Andrew Poliakoff, with a second by Brenda Thomas. The motion was unanimously approved.

A motion was made by Molly Talbot-Metz to give the Executive Director authority to initiate contract negotiations regarding the purchase of real estate. The motion was seconded by Andrew Poliakoff and unanimously approved.

Terril Bates indicated that SHA will have a meeting with the building committee and the senior staff who were involved as part of the strategic plan.

ACTION ITEM:

1) RESOLUTION NO. 2018-17 New Vehicle Purchase

Tyrone Meadows gave an overview of the resolution. A correction was made regarding the number of vehicles in inventory; the total number should be 36 not 26.

Commissioner Myers raised a question regarding the procurement of the vehicles. Terril Bates explained that the state contract is used to procure the vehicle and the approved vendor is Vic Bailey.



Commissioner Talbot-Metz made a motion to approve Resolution 2018-17. The motion was seconded by Commissioner Thomas.

RESOLUTION NO. 2018-17
ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
April 18, 2018

Chairman White asked for a motion to approve **Resolution 2018-17**. The motion was unanimously carried.

ACTION ITEM:

2) RESOLUTION NO. 2018-18 Disposition of Property

Tyrone Meadows gave an overview of the resolution. A correction was made regarding the number of vehicles that SHA now owns. The number is 34 vehicles and the total number remaining will be 30 if the resolution passed.

Some vehicles are 19 years old and have in excess of 100,000 miles. With the downsizing that the Housing Authority has been through, it is a good time to get reduce the number of vehicles.

Commissioner Talbot-Metz made a motion to approve Resolution 2018-18. The motion was seconded by Commissioner Poliakoff

RESOLUTION NO. 2018-18
ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
April 18, 2018

Chairman White asked for a motion to approve **Resolution 2018-18**. The motion was unanimously carried.

ACTION ITEM:

3) RESOLUTION NO. 2018-19 Write Offs and BadDebt

Angela Leopard gave an overview of the resolution.

Chairman White asked about the trend. It was further explained by Jessica Holcomb, that for this quarter, the amounts at Victoria Gardens was attributed to two residents. There was unreported income and one of the residents had skipped. At JC Bull, the outstanding rent was due from a deceased resident.



RESOLUTION NO. 2018-19
ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
April 18, 2018

Chairman White asked for a motion to approve **Resolution 2018-19**. The motion was unanimously carried.

ACTION ITEM:

4) RESOLUTION NO. 2018-20 Fee Developer NHP for Victoria Gardens

Commissioner Talbot-Metz made a motion to approve Resolution 2018-17. The motion was seconded by Commissioner Thomas.

RESOLUTION NO. 2018-20
ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
April 18, 2018

ACTION ITEM:

6) RESOLUTION NO. 2018-21 RAD Application Approval

Commissioner Poliakoff made a motion to approve Resolution 2018-17. The motion was seconded by Commissioner Myers.

RESOLUTION NO. 2018-21
ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
April 18, 2018

ACTION ITEM:

7) RESOLUTION NO. 2018-22 Authorization of Plumbing Services Contract

Commissioner Talbot-Metz made a motion to approve Resolution 2018-17. The motion was seconded by Commissioner Thomas.

RESOLUTION NO. 2018-22
ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
April 18, 2018



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INFORMATION ITEM:

Natalie Smith gave an overview on the Summer Lunch Program.

Meeting Adjourned 1:46 P.M.



**Approval of Minutes –
Regular Board Meeting
April 30, 2018**

**Board of Commissioners Meeting
Tuesday, June 26, 2018**



**MINUTES OF THE REGULAR MEETING OF THE COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG,
SPARTANBURG, SOUTH CAROLINA
APRIL 30, 2018**

MEETING CALLED TO ORDER: The meeting was held in the Executive Board Room of the Spartanburg Housing Authority, 2271 South Pine Street, Spartanburg, SC 29302.

Chairman Charles White called the meeting to order at 4:00 P.M. with a moment of silence.

MOMENT OF SILENCE: - *observed*

PRESENT: Charles White, Molly Talbot-Metz, John O. Fairey, Jr., Andrew Poliakoff, Brenda Thomas, Matthew Myers, and *Charmayne Brown.

Commissioner Brown arrived at 4:19 p.m.

ABSENT: none

APPROVAL OF THE AGENDA:

Commissioner Talbot-Metz made a motion to approve the agenda. The motion was seconded by Commissioner Fairey and unanimously carried.

APPROVAL OF THE PREVIOUS MEETING MINUTES:

A motion to approve the minutes of the March 27, 2018 regular Board of Commission meeting was made by Commissioner Thomas, seconded by Commissioner Talbot-Metz.

Commissioner Myers noted that a correction was needed on page 4. There was an order issue between Chairman White asking for a motion versus making a motion. It was noted that it should have been Chairman White asking for a question.

The minutes were unanimously approved and motion to approve the minutes carried.

COMMISSION COMMENTS

Commissioner Fairey shared that he attended the NAHRO Conference in Washington D.C. and spent time with SHA's developer and partner. Various development projects were observed by the Commissioner and it was noted that their projects generally get a lot more funding from the District. It appeared that their projects were less challenging and the funding sources such as bonds, four percent and nine percent were the same as SHA, but the gap funding was supplemented by the district allocations.

Terril Bates shared that there is a DC trust fund that allocates a \$100 million every year for development.



Commissioner Fairey shared that the conference was eye-opening and that he was able to see some new builds that seemed well management and loaded with amenities. It was also noted that developments that were built five years ago were starting to turn around and those buildings offered a comparable for SHA.

Chairman White shared that he was very impressed with SHA's partners and developers and that they are good people and they are very knowledgeable and that it's going to be fluid working with them. The conference dealt with national level politics and legislation issues, so it helps to understand from a macro level down to SHA.

Terril Bates shared that the SHA group went on a tour with the fee developer, NHP on Tuesday and then on Wednesday, they met at the NHP offices to begin to discuss the remaining of the SHA property portfolio.

Chairman White encouraged the Commissioners to attend a similar conference in the next year. He stated that it was enriching, and it helps individuals understand from a parochial view what Public Housing and Affordable Housing is about.

Chairman White stated that he would not be available for the May's Commission Meeting. The Commissioners discussed the scheduling conflict and concluded that the meeting would continue to be held on May 22, 2018 at 4:00 p.m.

PUBLIC/STAFF COMMENTS

Natalie Hurd introduced Ashley Jamison as the new Connections Coordinator and Debbie Smith Mills as the new FSS Coordinator.

Ashley Jamison has a background in nonprofit, working mostly with families on financial literacy, adult literacy and other self-sufficiency initiative. Ms. Jamison graduated with a BA in Spanish and is currently working on her master's in public administration.

Debbie Smith Mills has a background in program recruitment, case management, human resources, coaching and career building. Ms. Smith Mills graduated with a BA in Education and a Master's in Business.

Scott, on behalf of SHA's employee committee, shared that there was 100 percent staff participation in the United Way initiative. The offer to participate was extended to the Commissioners.

Terril Bates shared that the conference announced that there was an opportunity for HAs to apply for Mainstream Voucher NOFA. Therefore, SHA will be applying for 500 Mainstream vouchers which amounts to approximately \$362,000 in Administrative Fees. The vouchers are for persons with disabilities and both Tiffany Askew and Terril Bates have experience in administering these



types of vouchers. Additionally, there is funding available for the Family Unification Program (FUP). The FUP program is for children that are in foster care and aging out. When a child turns 18, the program helps to supplement housing for up to 36 months. SHA has partners and families who are in danger of losing their children because of the housing issue and this is a program that would be good for SHA to administer because Spartanburg has one of the highest placements of foster care in the state in this area.

Nationally, HUD will be issuing 100,000 vouchers so 500 vouchers was determined to be a good amount for the community. The application process is competitive, and the application is long. Additionally, the SHA would be required to partner with an agency that works with disable persons therefore SHA will be reaching out to Able, a previous partner that submitted a letter of support for SHA on the RAD project.

It was also shared that the graduation for Youth Build was held on Thursday, April 26th. On Friday, April 27th, Wofford College had an exhibit featuring the senior at SHA and around the county.

Likewise, Jessica Holcomb arranged for Fair Housing training for the SHA staff that was conducted this morning, April 30th. It was also shared that this month is Fair Housing Month and it's also the 50th Anniversary.

SPECIAL PRESENTATION

Rubino & Company

Housing Authority of the City of Spartanburg FY 2017 Independent Audit

Mike Stevens, a Partner with Rubino & Company gave a presentation of the draft independent audit results for the year ending September 30, 2017. As required by HUD, the draft financial statement report must be presented and approved by the Board of Commissioners. In turn, once approved, the audit will be finalized and submitted to HUD through the REAC systems and the federal clearinghouse.

Mike Stevens stated that the most important factor of the audit is that SHA has an unmodified opinion. The financial statements represented are in accordance with General Accepted Accounting Principles (GAAP) and this type of audit is the best opinion to have.

The three major activities for SHA in this year's audit were; 1) the final closing of the component units 2) the RAD program, and 3) the pension liability. Unlike the RAD activity and closing of the component units, SHA has no control over the \$1.3 million expense related to the pension plan. Due to the fact that SHA is part of the state's plan, any underfunded amounts gets recorded on the financial statements. On the flip side, if the state decided to fully fund the plan, the amounts are also recorded on the financial statements and the liability would go away. Currently, the state of South Carolina has elected not to fully fund the plan and in turn this liability is reflected on the financial statements.



Commissioner Myers had a question about an opinion on internal control systems. Mike Stevens highlighted that Rubino & Company does not audit the internal control systems. It was stated that the controls are in pretty good shape and they have improved in the last couple of years under Terril Bates leadership.

This audit looked at three major programs; 1) the voucher program, 2) the project-based cluster, and 3) the capital fund program.

It was recommended that SHA uses the management discussion and analysis section to give a detailed description of the issues surrounding the pension plan and depreciation.

ACTION ITEM:

1) RESOLUTION NO. 2018-23 Audit FY 2017

Terril Bates gave an overview of the resolution.

Commissioner Talbot-Metz made a motion to approve Resolution 2018-23 with the addition of language that Commissioner Myers recommended regarding the liabilities. The language will be worked out between Terril Bates and the Auditor. The motion was seconded by Commissioner Poliakoff.

Chairman White asked for a motion to approve **Resolution 2018-23**. The motion was unanimously carried.

RESOLUTION NO. 2018-23

ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
April 30 2018

Terril Bates publicly thanked the staff for their abundance amount of work and stated that they should be commended. Terril Bates stated that there was a 360-degree turnaround from just a few years ago and she also thanked the Board for their contribution to the agency.

Mike Stevens noted that even though there were a lot of personnel transitions, the agency was well prepared for the audit and the results of that preparation was shown in the audit.

HUD ANNUAL/FIVE YEAR PLAN PRESENTATION – SENIOR STAFF

Terril Bates gave a brief description of the plan. On June 15th there will be a public hearing. Comments from the Public Hearing will be reviewed and added to the plan. On June 19th, the board will receive the final packet and it's expected that it will be approved on June 26th. SHA has until July 17th to submit the plan to HUD.



Angela Leopard gave a presentation regarding Finance's proposed goals, plans and initiatives.

Joseph Jackson gave a presentation regarding Capital Fund's and Development's proposed goals, plans and initiative.

Jessica Holcomb gave a presentation regarding Public Housing's proposed goals, plans and initiatives. Commissioner Fairey requested that we compress the presentation.

Terril Bates indicated that the staff will provide to the Board, as an information item, the highlights of substantial changes.

Tiffany Askew gave a presentation regarding HCV's proposed goals, plans and initiatives.

Natalie Smith gave a presentation regarding Resident Services' proposed goals, plans and initiatives.

EXECUTIVE SESSION

Terril Bates indicated that the Executive Session agenda item was included to discuss a real estate matter. The matter was not ready to be discussed at this time.

Commissioner Talbot-Metz made a motion to amend the Agenda and remove the Executive Session from the Agenda. The motion was seconded by Commissioner Myers. The motion was unanimously carried.

Chairman White made a motion to adjourn the meeting. The motion was seconded by Commissioner Talbot-Metz and the motion was unanimously carried.

Meeting Adjourned at 6:07 p.m.

Respectfully Submitted,
The Housing Authority of the City of Spartanburg



Information Item:

**Standard Performer Notification –
SC003 09/30 2016**

**Board of Commissioners Meeting
Tuesday, June 26, 2018**



U.S. Department of Housing and Urban

OFFICE OF PUBLIC AND INDIAN HOUSING
REAL ESTATE ASSESSMENT CENTER

Public Housing Assessment System (PHAS) Score Report for Interim Rule

Report Date: 04/09/2018

PHA Code:	SC003
PHA Name:	HOUSING AUTHORITY OF SPARTANBURG
Fiscal Year End:	09/30/2016

PHAS Indicators	Score	Maximum Score
Physical	31	40
Financial	24	25
Management	16	25
Capital Fund	5	10
Late Penalty Points	0	
PHAS Total Score	76	100
Designation Status:	Standard Performer	
Published	04/09/2018	Initial published 08/08/2017

Financial Score Details	Score	Maximum Score
Audited/Single Audit		
1. FASS Score before deductions	23.50	25
2. Audit Penalties	0.00	
Total Financial Score Unrounded (FASS Score - Audit Penalties)	23.50	25

Capital Fund Score Details	Score	Maximum Score
Timeliness of Fund Obligation:		
1. Timeliness of Fund Obligation %	90.00	
2. Timeliness of Fund Obligation Points	5	5
Occupancy Rate:		
3. Occupancy Rate %	86.88	
4. Occupancy Rate Points	0	5
Total Capital Fund Score (Fund Obligation + Occupancy Rate):	5	10

Notes:

1. The scores in this Report are the official PHAS scores of record for your PHA. PHAS scores in other systems are not to be relied upon and are not being used by the Department.
2. Due to rounding, the sum of the PHAS indicator scores may not equal the overall PHAS score.
3. "0" FASS Score indicates a late presumptive failure. See 902.60 and 902.92 of the Interim PHAS rule.
4. "0" Total Capital Fund Score is due to score of "0" for Timeliness of Fund Obligation. See the Capital Fund
5. PHAS Interim Rule website - <http://www.hud.gov/offices/reac/products/prodphasintrule.cfm>



Action Items & Resolution

2018-24

Amendment to By-Laws

Board of Commissioners Meeting
Tuesday, June 26, 2018



June 26, 2018

Spartanburg, SC 29302

HONORABLE MEMBERS IN SESSION:

SUBJECT:

**Amendment to the By-Laws of the Housing Authority of the City of Spartanburg
Resolution 2018-24**

RECOMMENDATION:

Authorize the amendment and adoption of the revised By-Laws of the Housing Authority of the City of Spartanburg.

CONTACT PERSON:

Charles White
Chairman
864-598-6010

SUMMARY:

SHA Board of Commissioners have determined that amendments to the By Laws of the Commissioners of the Housing Authority of the City of Spartanburg are necessary. These revisions are intended to provide guidance to the Board of Commissioners:

HUD has requested that the Board adopt the attached Code of Conduct & Ethical Standards as a means of supporting compliance.

FINANCIAL CONSIDERATIONS:

None

POLICY CONSIDERATIONS:

The current By-Laws state, "The By-Laws of the Board of Commissioners shall be amended or adopted by resolution at a regular or special meeting. No such amendment shall be adopted unless written notice thereof has been previously given to all Commissioners.

Respectfully Submitted, _____

Charles White, Chairman
Housing Authority of the City of Spartanburg

**BYLAWS
OF
THE HOUSING AUTHORITY OF
THE CITY OF SPARTANBURG, SC**

ARTICLE I-- THE AUTHORITY

Section 1. Name. The name of the Authority shall be THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG, S.C.

Section 2. Seal of the Authority. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority.

Section 3. Office of the Authority. The principal office of the Authority shall be located at 2271 S. Pine St., Spartanburg, South Carolina. The Authority may maintain additional offices as needed to conduct the business of the Authority.

ARTICLE II-- COMMISSIONERS

Section 1. Composition. The Authority shall consist of not less than five (5) nor more than seven (7) Commissioners, at least one of which shall be directly assisted by the Authority. A majority of Commissioners must live or work in the City of Spartanburg, South Carolina. All Commissioners must live or work in Spartanburg County.

Section 2. Powers and Responsibilities. The Board of Commissioners shall have general power to control and manage the affairs of the Authority consistent with the laws of State of South Carolina, the Authority's personnel policies, and these Bylaws. The Board of Commissioners shall also provide oversight to ensure adherence of all pertinent legal and fiscal matters of the Authority.

Section 3. Appointment. The Commissioners shall be appointed by the City Council of the City of Spartanburg, SC.

Section 4. Term. Commissioners shall be appointed for a term of office of five (5) years, except that all vacancies shall be filled for the unexpired term. Commissioners who are directly assisted by the authority must remain as an assisted resident in order to continue service on the Board of Commissioners. Commissioners must be off of the Board for at least one (1) year before being reappointed. If a retiring Commissioner is reappointed to serve the unexpired term of another Commissioner, he/she may be appointed to serve a five (5) year term without waiting a year.

Section 5. Compensation. The Commissioners shall serve without compensation other than the reimbursement of necessary expenditures in connection with the performance of their general duties.

Section 6. Vacancies. In the event of a vacancy prior to the expiration of a Commissioner's appointed term, the City Council of the City of Spartanburg, SC shall appoint a replacement Commissioner who shall serve for the remaining portion of the vacated term.

Section 7. Commissioner Emeritus. A retiring Commissioners may serve as a Commissioner Emeritus, have the opportunity to attend board meetings, share perspective, and remain engaged in the affairs of the Authority. A Commissioner may attend meetings in this capacity for up to twenty-four (24) months beyond retirement from active board service. Participation as a Commissioner Emeritus requires the approval of the Board of Commissioners. A Commissioner Emeritus does not have voting rights.

Section 8. Ad Hoc Committees. The Board of Commissioners may from time to time create temporary *ad hoc* committees to review and make recommendations regarding specific matters related to the business of the Authority. *Ad hoc* committees are advisory in nature and shall report to the Board at its Regular or Special Meetings.

Comment [BC1]: Consider: It may be difficult to create ad hoc committees if a quorum is 3 only commissioners.

ARTICLE III—OFFICES, ELECTIONS, AND APPOINTMENTS

Section 1. Board of Commissioners; Offices. The Board of Commissioners shall have a Chairperson, a Vice-Chairperson and a Secretary.

Chairperson: The Chairperson shall preside over all meetings of the Board of Commissioners in accordance with S.C. law. The Chairperson is responsible for assembling a committee of the Board of Commissioners to conduct the Chief Executive Officer's annual review and any other matters related to the Chief Executive Officer.

Vice-Chairperson: The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson. In the case of the resignation, dismissal, or death of the Chairperson, the Vice-Chairperson shall perform such duties as are imposed on the Chairperson until such time as the Board of Commissioners shall elect a new Chairperson.

Secretary: The Secretary shall be responsible for keeping all records of the Authority, shall act as Secretary at meetings of the Board of Commissioners, record all votes, keep a record of proceedings of the Board of Commissioners in a journal, and perform all duties incidental to the office. The Secretary shall keep in safe custody, the seal of the Authority and shall have power to affix such seal to all contracts and instruments authorized to be executed. No Commissioners shall be eligible to fill this office except as a temporary appointee.

Section 2. Chief Executive Officer. The Board of Commissioners will employ a Chief Executive Officer who shall execute the policies established by the Board and manage the day-to-day operations of the Authority and its affiliates, subject to the direction of the Board of Commissioners. The Chief Executive Officer will also serve as the Secretary of the Authority.

Section 3. Election or Appointment. The Chairperson and Vice-Chairperson shall be elected at the Annual Meeting of the Board of Commissioners and shall hold office for one (1) year. No Commissioner shall be eligible to fill this office except as a temporary appointee.

Section 4. Vacancies. Should the offices of Chairperson and/or Vice-Chairperson become vacant, the Board of Commissioners shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of said office. When the office of Secretary becomes vacant, the Board of Commissioners shall appoint a successor aforesaid.

ARTICLE IV-- MEETINGS

Section 1. Annual Meeting. The annual meeting shall be held in conjunction with the regular meeting in the month of September. This meeting shall include the election of officers, receiving the annual report of the Chief Executive Officer, recognition of retiring and/or newly appointed Commissioners, approval of the FY budget, and the conduct of such other business as may come before the Board of Commissioners. Such meetings shall be held in a place and time as may be designated by the Board of Commissioners.

Section 2. Regular Meetings. Regular monthly meetings will be held each month at the Authority's principal offices. Meetings at other places as may be determined by the Board of Commissioners, in accordance with the notice provisions of the South Carolina Freedom of Information Act.

Section 3. Special Meetings. The Chairperson of the Board of Commissioners may, when deemed necessary, call a special meeting of the Board for the purpose of transacting any lawful business. Meeting will be subject to the notice provisions of the South Carolina Freedom of Information Act.

Section 4. Quorum. Three (3) members of the Board of Commissioners shall constitute a quorum for the purpose of transacting the business of the Authority. If a quorum is not present, the Commisioners in attendance may meet to adjourn to some other time that a quorum may be present.

Section 5. Order of Business. At the regular meetings of the Board of Commissioners the following shall be the order of business:

Moment of Silence
Roll Call
Approval of Agenda
Approval of the minutes of the previous meeting
Commission Comments
Public/Staff Comments
Action Items and Resolutions
Information Items
Monthly Reports
Adjournment

Comment [BC2]: The Board should discuss the quorum issue. My opinion is that SC law allows for 3 Commissioners to conduct the business of the Authority. However, traditionally a quorum has been defined as a majority.

At the pleasure of the Board of Commissioners, special reports may be added to the monthly agenda. All resolutions shall be in writing and shall be copied in a journal of the proceedings for the Board of Commissioners.

Section 6. Manner of Voting. The voting on all questions coming before the Board of Commissioners shall be recorded. When a unanimous vote is not reached, a roll call of yeas and nays will occur.

Section 7. Attendance at Meetings. Any Commissioner who fails to personally attend three (3) consecutive regular monthly meetings or more than fifty percent (50%) of the regular meetings during a twelve (12) month time period may be subject to dismissal from the Board of Commissioners. In those limited circumstances when a Commissioner is unable to attend in person due to illness, disability or commuter delays beyond their control, they may participate by phone. Participation by phone, however, will be limited to those instances where a minimum of three (3) Commissioners are present in person. In the event a Commissioner must participate by phone, the Commissioner shall make every effort to advise the Chief Executive Officer at least twenty -four (24) hours in advance so that the necessary logistical arrangements may be made for his or her participation.

ARTICLE V-- ETHICS

Section 1. General Duties. All Commissioners shall act in a professional and ethical manner in carrying out their official duties. They shall be bound by the rules and regulations and principles of the Housing Authority Code of Professional Conduct and Ethical Standards as well as the State Ethics Law.

Section 2. Code of Ethics. All Commissioners shall, on an annual basis at the Annual Board Meeting, pledge themselves to the Housing Authority Code of Professional Conduct and Ethical Standards set forth in Appendix I of these Bylaws. The objective of the Code of Professional Conduct and Ethical Standards is to encourage professional performance by the Commissioners. The Code of Professional Conduct and Ethical Standards describes objectives which, when accepted and followed, will help to foster a beneficial relationship between the Commissioners and staff, as well as those they serve.

Section 3. Removal. If the Board of Commissioners finds that any Commissioner has violated the Code of Ethics and Professional Conduct or the State Ethics Law, the Board of Commissioners, by resolution, may petition City Council that Commissioner's removal.

ARTICLE V-- AMENDMENTS

Section 1. Amendments to By-Laws. The By-Laws may be amended only by a duly adopted resolution at a regular or special meeting of the Board of Commissioners. No such amendment shall be adopted unless written notice of the substance thereof has been provided to all Commissioners prior to the meeting.

CERTIFICATE

I certify that the attached is a true and correct copy of the By-Laws of the Housing Authority of the City of Spartanburg, South Carolina adopted and effective _____, 2018.

Terril Bates, Chief Executive Officer/Secretary
The Housing Authority of the City of Spartanburg, SC

APPENDIX I

THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG, SC CODE OF PROFESSIONAL CONDUCT AND ETHICAL STANDARDS

SECTION 1. CODE OF PROFESSIONAL CONDUCT.

Commissioners shall be bound by the following pledge:

- I pledge myself to professional conduct on the Board through my efforts and through the mutual efforts of my colleagues and by all other proper means available.
- I pledge to view my service on the Board of the Authority as an opportunity to serve my community, the State of South Carolina, and my nation because I support the objectives of providing a decent, safe, and sanitary home and a suitable living environment for every American family.
- I pledge my responsibilities are to serve in this capacity as a Government official, a community leader, and an advocate for the Authority, its programs, and its objectives.
- I pledge myself to seek and maintain an equitable, honorable, and cooperative association with fellow public housing officials and all others who are concerned with the proper and professional management of public housing developments.
- I pledge to try to make decisions in terms of the most economical and efficient method toward the best interests of all citizens, particularly those of low- and moderate-income. Decisions will provide an equal opportunity to all citizens, regardless of race, creed, sex, nationality, place of birth or age.
- I will recognize that my responsibility is not to make the day-to-day management decisions of the Authority, but to see that the Authority is well run by carrying out policy making, planning, and appraisal functions, and by providing direction and taking formal action in support of these functions.
- I pledge to refuse to represent special interests or partisan politics or to use this Board for personal gain or for the gain of friends or supporters. I recognize that although I have been appointed by City Council, my responsibility is to the entire community.
- I pledge that I shall not receive, directly or indirectly, any fee, rebate, commission, discount, gratuity, or any other benefit, whether monetary or otherwise, for the proper professional discharge of my duties, except authorized expenses and other benefits.
- I will arrive at conclusions only after I have discussed matters fully with members of the professional staff and other Board members. Once a decision has been reached by the majority of the Board assembled at a meeting, I will support it graciously.
- I will recognize that the Authority is vested with the whole Board assembled in meetings and that the powers of the Board shall be vested with the Board thereof in office at anytime.
- I pledge to support and to protect authority personnel in the performance of their duties. Where and when Commissioners are involved in the employment of staff, I will vote to hire only competent and trained personnel who have been recommended by the Chief Executive Officer, otherwise I will support the Chief Executive Officer in the hiring and the handling of personnel matters without inappropriate involvement by the Board.

- I pledge to refer all complaints, including my personal criticisms, to the Chief Executive Officer, and only after the failure of administrative solution, will pursue such matters outside the Board while also recognizing the individual rights of a Commissioner as a citizen appointee and the responsibilities such appointment implies.
- I pledge to observe and enforce local and Federal laws and regulations, these Bylaws and all other pertinent rules and regulations pertaining to the Board and the Authority and housing represented by those entities.
- I pledge to respect the limited intent and scope of executive session and respect privileged communications from executive session and other sources for the privacy of the personnel and clients with whom we are involved.
- I pledge myself to place honesty, integrity, industriousness, compassion, and understanding above all else; to pursue my gainful efforts by study and dedication to the service to the Authority and the people I serve shall always be maintained at the highest possible level.
- I pledge to make diligent use of the time of the Board as a whole and to faithfully attend all meetings barring unforeseen conflicts, in which case I shall promptly notify the Chairperson or designee while respecting the rights and commitments of other Commissioners and the Authority the Board represents.
- I pledge myself to comply with the rules and regulations and principals of this Code of Ethics and Professional Conduct, and I pledge myself to comply with all training and professional development requirements to retain my eligibility to be a Board member of the Authority.

SECTION 2. ETHICAL STANDARDS.

All Board of Commissioners and Authority staff shall be bound by the following Ethical Standards:

(a) The U.S. Department and Urban Development (HUD).

1. Public Housing Annual Contributions Contract (ACC):

A. In addition to any other applicable conflict of interest requirements, neither the Authority nor any of its contractors or their subcontractors may enter into any contract, subcontract, or arrangement in connection with a project under this ACC in which any of the following classes of people that the Authority has an interest, direct or indirect, during his or her tenure or for one year thereafter:

a. Any present or former member or officer of the governing body of the Authority, or any member of the officer's immediate family. There shall be excepted from this prohibition any present or former tenant Commissioner who does not serve on the governing body of a resident corporation, and who otherwise does

not occupy a policymaking position with the resident corporation, the Authority, or a business entity.

- b. Any employee of the Authority who formulates policy or who influences decisions with respect to the project(s), or any member of the employee's immediate family, or the employee's partner.
 - c. Any public official, member of the local governing body, or State or local legislator, or any member of such individuals' immediate family, who exercises functions or responsibilities with respect to the project(s) or the Authority.
- B. Any member of these classes of persons must disclose the member's interest or prospective interest to the Authority and HUD.
- C. The requirements of this may be waived by HUD for good cause, if permitted under State and local law. No person for whom a waiver is requested may exercise responsibilities or functions with respect to the contract to which the waiver pertains.
- D. The provisions of this subsection shall not apply to the General Depository Agreement entered into with an institution regulated by a Federal agency, or to utility service for which the rates are fixed or controlled by a State or local agency.
- E. Nothing in this section shall prohibit a tenant of the Authority from serving on the governing body of the Authority.
- F. The Authority may not hire an employee in connection with a project under this ACC if the prospective employee is an immediate family member of any person belonging to one of the following classes:
 - a. Any present or former member or officer of the governing body of the Authority. There shall be excepted from this prohibition any former tenant Commissioner who does not serve on the governing body of a resident corporation, and who otherwise does not occupy a policymaking position with the Authority.
 - b. Any employee of the Authority who formulates policy or who influences decisions with respect to the project(s).

c. Any public official, member of the local governing body, or State or local legislator, who exercises functions or responsibilities with respect to the project(s) or the Authority.

G. The prohibition shall remain in effect throughout the class member's tenure and for one year thereafter.

H. The class member shall disclose to the Authority and HUD the member's familial relationship to the prospective employee.

I. The requirements of this subsection may be waived by the Board of Commissioners for good cause, provided that such waiver is permitted by State and local law.

J. For purposes of this section, the term "immediate family member" means the spouse, mother, father, brother, sister, or child of a covered class member (whether related as a full blood relative or as a "half" or "step" relative, e.g., a half-brother or stepchild).

(b) State Conflict of Interest. The Authority and its Board will comply with all State and local Conflict of Interest and Ethics laws.

2. Uniform Administrative Requirements for State and Local Governments (2 CFR 200):

a. Conflicts of Interest. The Authority, including the Board of Commissioners, must disclose in writing any potential conflict of interest in violation of (a)1, above, to HUD.

b. Mandatory Disclosures. The Authority must disclose, in a timely manner, in writing to HUD all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the grants from HUD. Failure to make the required disclosure can result in remedies described at 2 CFR 200.338.

RESOLUTION NO. 2018-24

**ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY**

June 26, 2018

**BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY**

Adopts an amendment to its By-Laws as follows: Attached is a complete revision.

Charles White, CHAIR

ATTEST:

SECRETARY

FOR CLERK USE ONLY

RESOLUTION NO. 2018-24

DATE: June 26, 2018



Action Items & Resolution

2018-25

FY2018 Budget Revision Submission

**Board of Commissioners Meeting
Tuesday, June 26, 2018**



June 26, 2018

**The Housing Authority of the City of Spartanburg
Spartanburg, SC 29302**

HONORABLE MEMBERS IN SESSION:

SUBJECT:

**FY2018 Budget Revision Submission
Resolution 2018-25**

RECOMMENDATION:

Approve the revised SHA operating budget submission for the year ending September 30, 2018.

CONTACT PERSON:

Angela Leopard
Director of Finance
864-598-6138

SUMMARY:

Spartanburg Housing Authority (SHA) staff has submitted a revised operating budget with \$20,403,600 of revenues and \$20,485,191 of expenses (exclusive of depreciation and debt service). The original approved budget was balanced by the permissible use of reserves as follows: Asset Management reserves of \$101,574, Housing Choice Voucher HAP Admin reserves of \$132,380 and RAD Central Office Cost Center Proceeds of \$280,000. The revised budget proposes the use of previously approved reserves as follows: Asset Management reserves of \$64,297, Housing Choice Voucher HAP Admin reserves of \$109,577 and RAD Central Office Cost Center Proceeds of \$280,000. Use of reserve funds resulted in a revised projected surplus of \$372,282 for SHA core operating programs.

BACKGROUND:


Staff presented a budget to the board in August of 2017. At that time SHA had not received funding regarding the 2018 operations. In December 2017, the Tax Reform Bill was passed. In March of 2018, the Tax Cuts and Job Acts Bill was passed. SHA began receiving information from HUD regarding funding during the month of February 2018. In May 2018, HUD released a video regarding the HCV funding for 2018. The delay in the presentation of the revision is a result of lack of substantial information from HUD regarding our 2018 operating year.

FINANCIAL IMPACT:

The annual operating budget is required to continue business operations. The approved annual operating budget also serves as the guide for the financial management of the organization.

POLICY CONSIDERATIONS:

Per Article IV, Section 1 of the SHA Bylaws, SHA annual operating budgets require review and approval by the Board of Commissioners.

Respectfully Submitted, 
Angela Leopard, Director of Finance
The Housing Authority of the City of Spartanburg



RESOLUTION NO. 2018-25

**ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG**

June 26, 2018

Staff recommends adoption of Resolution No. 2018-25, approving the revised operating budget submission for the year ending September 30, 2018.

Charles White, CHAIR

ATTEST:

SECRETARY

FOR CLERK USE ONLY

RESOLUTION NO. 2018-25

DATE ADOPTED: June 26, 2018



Action Items & Resolution

2018-26

Award Annual Audit Contract

**Board of Commissioners Meeting
Tuesday, June 26, 2018**



June 26, 2018

**Spartanburg Housing Authority
Spartanburg, SC 29306**

HONORABLE MEMBERS IN SESSION:

SUBJECT:

SHA Agency-wide and Affiliate Audit and Tax Contract for the fiscal periods ending September 30, 2018, September 30, 2019 and September 30, 2020.

RESOLUTION NO. 2018-26

RECOMMENDATION:

Authorize the CEO execute a contract for Independent Public Accountant audit and financial services to **Rubino and Company** to perform the agency's Single Audit and tax returns at a cost not to exceed a rate of \$52,600 for year one, \$54,000 for the second year, and \$55,400 for the third year. This service applies to SHA and numerous known affiliates. Consideration has been given to the addition of a limited number of new affiliates and the dissolution of others. It is understood that changes in this area may create future adjustments.

CONTACT PERSON:

Terril Bates
CEO
864-598-6010

SUMMARY

BACKGROUND- On February 20, 2018 the Housing Authority of the City of Spartanburg (SHA) issued Request for Proposals (RFP) No. 2018-0220 to procure an independent public accountant to perform the annual audit and complete the related tax returns. The services to be provided not only include the Spartanburg Housing Authority audit, but also the tax returns for Spartanburg Leased Housing, Spartanburg Housing Limited Partnership, SHA-2 Limited Partnership, CS-1, LLC, HC1, LLC, Hope Six Housing Corporation, Spartanburg Area Housing Corporation and up to four additional Affiliates)

Consideration has been given to the addition of a limited number of new affiliates and the dissolution of others. It is understood that changes in this area may create future adjustments

SHA received six proposals that were evaluated by a panel that consisted of the CFO's from local organizations. SHA staff were not involved in the evaluations. The proposals were scored based upon the criteria outlined within the RFP. The initial contract period will be for three years. The Authority has retained the right to renew this contract at the Authority's option for an additional two years. The scores and proposed costs are charted below.

VENDOR	SCORE (combined average))	PRICE
Rubino	94	52,000
Rector, Reeder & Lofton	85.33	79,500
Emerge	55.66	89,950
B2A	68	51,500 +6500 per affiliate
Clark Eustace & Wagner	63	61,250 +related fees

FINANCIAL CONSIDERATIONS:

The audits and tax services are for all SHA Federal programs, its COCC and other non-Federal programs including the listed Affiliates. Funds are budgeted and available in the COCC and Spartanburg Leased Housing. SHA often absorbs the cost of affiliate work in it's business activities line item.

POLICY CONSIDERATIONS:

Annual audit reports are required by HUD under the Annual Contributions Contract (ACC) and tax returns are required by the Internal Revenue Service by law. In addition, grantors and stakeholders require that annual audit reports be provided as a component of many legal agreements.

Respectfully Submitted, _____
Terril Bates, CEO
Housing Authority of the City of Spartanburg



RESOLUTION NO. 2018-26

**ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY**

June 26, 2018

**BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY**

Staff recommends adoption of Resolution No. 2018-26, authorizing the CEO to award the contract for the Authority (and Affiliates) annual audits and related tax returns to **Rubino and Company** for the periods ended September 30, 2018, September 2019 and September 2020. Vendor will perform the Single Audit and related tax returns for a cost not to exceed rate of \$52,600 for the first year, \$54,000 for the second year, and \$55,400 for the third year. The authority reserves the right to award a contract for an additional two year period.

Charles White, Chairman

ATTEST:

SECRETARY

FOR CLERK USE ONLY

RESOLUTION NO. 2018-26

DATE ADOPTED: June 26, 2018



**Action Items & Resolution
2018-27
Smoke Free Policy**

**Board of Commissioners Meeting
Tuesday, June 26, 2018**

Tuesday, June 26, 2018
Housing Authority of the City of Spartanburg
Spartanburg, SC 29302

HONORABLE MEMBERS IN

SESSION: SUBJECT:
Approval of the SHA Smoke Free
Policy Resolution 2018-27

RECOMMENDATION:

Authorize the CEO to approve and adopt the SHA Smoke Free Policy to be effective for all Public Housing Sites on July 30, 2018, as required by HUD.

CONTACT PERSON:

Jessica M. Holcomb
Deputy Director of Asset Management and Special
Projects 864-598-6023

SUMMARY:

HUD has been advocating for smoke free housing since 2009 in all of its programs because the health benefits to residents is substantial. In accordance with HUD regulations, the Housing Authority of City of Spartanburg (SHA) has adopted these smoke-free policies. The policies are effective as of July 30, 2018.

Due to the increased risk of fire, increased maintenance costs, and the known health effects of secondhand smoke, smoking will be prohibited in all living units and interior areas, including but not limited to hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures. Smoking will also be prohibited in outdoor areas within 25 feet from public housing and administrative office buildings.

This policy applies to all employees, residents, household members, guests, and service persons. Residents are responsible for ensuring that household members and guests comply with this rule. The term "smoking" means any inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, or other prohibited tobacco product in any manner or any form. Prohibited tobacco products include water pipes or hookahs. Violation of the smoke-free policy constitutes a violation of the terms of the public housing lease. Consequences of lease violations include termination of tenancy.

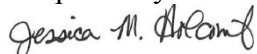
FINANCIAL CONSIDERATIONS:

SHA has partnered with a number of community organizations to absorb the cost of signage, literature and other information geared to supporting this initiative. Smoking sensation sessions were provided to communities at no cost to SHA. SHA financial expenditures in this area have been limited and applied in the area of providing ashtrays and other small items. These things are budgeted in the appropriate property line items.

POLICY CONSIDERATIONS:

24 CFR 965.651, Subpart G sets forth requirements for smoke-free public housing. Public housing authorities (PHAs) that administer the public housing program must adopt and implement smoke-free policies by July 30, 2018. The Board of Commissioners is required to approve SHA policies.

Respectfully Submitted,



Jessica M. Holcomb, Deputy Director of Asset Management and Special Projects

SHA SMOKE-FREE POLICY

In accordance with HUD regulations, the Housing Authority of City of Spartanburg (SHA) has adopted these smoke-free policies. The policies are effective as of July 30, 2018.

Due to the increased risk of fire, increased maintenance costs, and the known health effects of secondhand smoke, smoking is prohibited in all living units and interior areas, including but not limited to hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures. Smoking is also prohibited in outdoor areas within 25 feet from public housing and administrative office buildings.

This policy applies to all employees, residents, household members, guests, and service persons. Residents are responsible for ensuring that household members and guests comply with this rule.

The term “smoking” means any inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, or other prohibited tobacco product in any manner or any form. Prohibited tobacco products include water pipes or hookahs.

Violation of the smoke-free policy constitutes a violation of the terms of the public housing lease. Consequences of lease violations include termination of tenancy.

SHA POLICIES

Designated Smoking Areas (DSA)

The SHA has established designated smoking areas at Archibald Rutledge Hi-Rise and Archibald Village Apartments. Residents using the designated smoking areas must extinguish all smoking materials and dispose of them safely in receptacles provided for that purpose.

The SHA has not designated any smoking areas at Victoria Gardens, Cambridge Place, Camp Croft Courts, or Prince Hall Apartments. Residents may not discard smoking products on the property.

Electronic Nicotine Delivery Systems (ENDS)

Electronic nicotine delivery systems (ENDS) include e-cigarettes, nicotine inhalers, and vaping devices.

Use of ENDS is permitted in public housing units only as a reasonable accommodation approved by the SHA that necessary for a person with disabilities. Use of ENDS is prohibited in common areas and in outdoor areas within 25 feet from housing and administrative buildings. That is, use of ENDS is prohibited in all areas in which smoking is prohibited.

Effective Date

The SHA’s effective date(s) of this smoke-free policy is/are as follows:

The smoke-free policy will be effective for all residents, household members, employees, guests, and service persons on JULY 30, 2018.

The smoke-free policy will take effect at the next annual lease renewal for each resident household. Residents must execute a smoke-free lease addendum as part of the annual lease renewal process. Regardless of the lease renewal date, all residents must be in compliance with the smoke-free policy no later than July 30, 2018.

Enforcement

The SHA must enforce smoke-free policies when a resident violates this policy. When enforcing the lease, the SHA will provide due process and allow residents to exercise their right to an informal settlement and formal hearing. The SHA will not evict a resident for a single incident of smoking in violation of this policy. As such, the SHA will implement a graduated enforcement framework that includes escalating warnings. Prior to pursuing eviction for violation of smoke-free policies, the SHA will take specific, progressive monitoring and enforcement actions, while at the same time educating tenants and providing smoking cessation information.

The lease will identify the actions that constitute a policy violation, quantify the number of documented, verified violations that warrant enforcement action; state any disciplinary actions that will be taken for persistent non-

responsiveness or repeated noncompliance, and state how many instances on noncompliance will constitute a violation. Tenancy termination and eviction will be pursued only as a last resort. The SHA may terminate tenancy at any time for violations of the lease and failure to otherwise fulfill household obligations if resident behavior disturbs other residents’ peaceful enjoyment and is not conducive to maintaining the property in a decent, safe, and sanitary condition.

Violation 1: Upon issuance of a written warning from the property manager and/or a documented complaint, the SHA will increase the frequency of unit inspections for a suspected policy violator. The SHA may enter the unit, with reasonable advance notification to perform inspections. A written statement specifying the purpose of the SHA entry delivered to the dwelling unit at least two days before such entry is considered reasonable advance notification

Violation 2: The SHA will provide information on smoking cessation from the following resources but not limited to: The American Lung Association, The Forrester Center, DHEC, etc.

Violation 3: The SHA will provide a mandatory referral to The Forrester Center or other agency that provides information or resources on smoking cessations.

Violation 4: Repeated violations of four or more of the smoke-free policy may rise to the level of other good cause for termination of tenancy.

If the resident does not have any new violations for 6 months, the resident will be considered to have a clear record, and no further enforcement action will be taken.

Reasonable Accommodation

While addiction to nicotine or smoking is not a disability, the SHA will provide reasonable accommodation to persons with disabilities who smoke that are in compliance with the requirements of this smoke-free policy.

X

Head of Household

X

Date

X

Housing Authority Representative

X

Date

RESOLUTION NO. 2018-27

**ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY**

June 26, 2018

Staff recommends adoption of Resolution No. 2018-27, authorizing the CEO to approve and adopt the SHA Smoke Free Policy to be effective for all Public Housing Sites on July 30, 2018.

Charles White, CHAIR

ATTEST:

SECRETARY

FOR CLERK USE ONLY

RESOLUTION NO. 2018-27

DATE ADOPTED: June 26, 2018



**Action Items & Resolution
2018-28
Lease and Community Rules**

**Board of Commissioners Meeting
Tuesday, June 26, 2018**

Tuesday, June 26, 2018
Housing Authority of the City of Spartanburg
Spartanburg, SC 29302

HONORABLE MEMBERS IN SESSION:

SUBJECT:

**Approval of 2018 Public Housing Lease and Community Rules
Resolution 2018-28**

RECOMMENDATION:

Authorize the CEO to approve and adopt the Public Housing Lease and Community Rules to be effective September 01, 2018.

CONTACT PERSON:

Jessica M. Holcomb
Deputy Director of Asset Management and Special Projects
864-598-6023

SUMMARY:

Public housing leases are the basis of the legal relationship between the PHA and the tenant. All units must be occupied pursuant to a dwelling lease agreement that complies with HUD's regulations. An eligible family may occupy a public housing dwelling unit under the terms of a lease. The lease must meet all regulatory requirements, and must also comply with applicable state and local laws and codes. The lease may be modified at any time by written agreement of the tenant and the PHA [24 CFR 966.4(a)(3)]. SHA utilizes a HUD model lease.

The PHA may modify its lease from time to time. However, the PHA must give residents 30 days advance notice of the proposed changes and an opportunity to comment on the changes. The PHA must also consider any comments before formally adopting the new lease [24 CFR 966.3].

A Red Line Draft of Proposed Changes is attached.

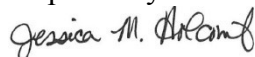
FINANCIAL CONSIDERATIONS:

None

POLICY CONSIDERATIONS:

After proposed changes have been incorporated into the lease and approved by the Board, each family must be notified at least 60 days in advance of the effective date of the new lease or lease revision. A resident's refusal to accept permissible and reasonable lease modifications that are made in accordance with HUD requirements, or are required by HUD, is grounds for termination of tenancy [24 CFR 966.4(l)(2)(iii)(E)]. The Board of Commissioners must approve SHA policies.

Respectfully Submitted,



Jessica M. Holcomb, Deputy Director of Asset Management and Special Projects



2018 Public Housing Lease Revisions

Board of Commissioners Meeting
Tuesday, June 26, 2018

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
RESIDENTIAL LEASE AGREEMENT

THIS LEASE AGREEMENT is between the Housing Authority of the City of Spartanburg (hereinafter referred to as “Landlord” and/or “the Authority”), and, the Tenant Family listed below.

I. Tenant Family. The “Tenant Family” (hereinafter referred to as “Tenant” and/or “Tenant Family”) is composed of the individuals listed below. All members of the Tenant Family over age 18 are required to sign this lease.

Name	Relationship	Birth date	Social Security #
1. _____	Head	____/____/____	_____
2. _____	_____	____/____/____	_____
3. _____	_____	____/____/____	_____
4. _____	_____	____/____/____	_____
5. _____	_____	____/____/____	_____
6. _____	_____	____/____/____	_____

II. Leased Premises. The Landlord, relying upon the representations of the Tenant Family contained herein, leases to the Tenant Family, the dwelling unitknown as _____(the "Premises" or “Dwelling Unit”) containing_____bedrooms. The Tenant Family may occupy the premises only as a private residence subject to the terms and conditions contained herein.

III. Term: The initial term of this lease is one calendar year, beginning_____. Thereafter, this lease will be automatically renewed for successive periods of one year each unless the family has violated the requirement for resident performance of community service or participation in a required economic self-sufficiency program in accordance with 24 CFR 960 subpart F or has violated the terms and conditions listed within this Lease. This Lease may be modified at any time by written agreement of the Tenant and the Landlord.

IV. Deposit and Rent. The Tenant has paid a security deposit of \$ _____. Initial rent (prorated for a partial month) will be \$ _____. After that, rent of \$ _____per month will be payable in advance on the first day of each month. The tenant shall pay the amount of the monthly tenant rent determined by the Landlord in accordance with HUD regulations and other requirements. The amount of the tenant rent is subject to change in accordance with HUD requirements. During the term of this Lease, the Tenant shall receive written notice from the Landlord of any change in the amount of rent and the effective date of the change.

- ☐ This is the flat rent for the Premises.
- ☐ This rent is based on the income and other information reported by the Tenant Family.

Rent and other charges are due and payable on the first of the month and may be paid by automatic bank draft or by use of electronic Walk In Payment System (WIPS card). Tenants will be charged a \$25.00 fee for any item returned for insufficient funds. After the first it em is returned for non-sufficient funds, the Landlord may require WIPS payments for all future payments.

The total amount for rent and other charges as billed is due and payable on the first day of each month Partial payments may be rejected.

Any charge may be disputed by Tenant, provided that the amount disputed is paid by the resident when due and placed in an escrow account by the Landlord pending the outcome of a hearing in compliance with the Landlord’s GrievanceProcedure.

Late payment of rent or other charges more than four times within a twelve month period shall constitute a material breach of this Lease, and is good cause for Landlord to terminate this Lease and recover possession of the premises from the Tenant, as provided herein.

Tenant Initials: _____

Any amount designated in a payment agreement between Tenant and Landlord for retroactive rental amounts due to Tenant’s failure to report required information must be paid in conjunction with the monthly rent. Failure to fulfill any payment agreement as executed is a serious violation of this Lease and will result in Lease termination.

V. Miscellaneous Charges. The Landlord shall provide notice for any charges due including the due date. The following charges shall be due and payable on the first of the month following two weeks written notice of the charges:

- A. Maintenance costs. The cost for services or repairs to the Dwelling Unit, common areas or grounds beyond normal wear and tear and caused by the Tenant Family or guests will be charged to the Tenant. Such charges will be determined according to the Schedule of Maintenance Charges posted by the Authority. Charges not listed on the Schedule of Maintenance Charges will be billed based upon the actual cost of parts and \$20 per hour labor costs. If the repairs require overtime work, overtime rates will be charged. Maintenance charges shall be billed and are due and payable on the first of the month after a fourteen day billing notice.
- B. Excess Utility Charges. Where the Landlord provides utilities, a charge will be assessed for any utilities consumed in excess of the utility allowance. The utility allowance for Authority-provided utilities is included as an attachment to this Lease. Excess utility charges are billed and are due and payable with the rent on the first of the month after a fourteen day billing notice.
- C. Late Charges. The Landlord will assess charges for late payments. Payments, including rent, are late if not paid by the fifth calendar day of the month. Late rent will result in a \$15charge. The Authority will provide written notice of any such charge which shall be due and payable within two weeks of the date of the notice.

VI. Termination for Failure to Pay Rent and Repeated Late Payments:

Failure to pay the amount owed in full by the fifth day of each month will result in a notice of Lease termination. The ... Lease termination shall allow fourteen days for the rent and other charges due to be paid in full. Failure to pay in full within this time will result in an eviction action being filed in the Magistrate Court. Once an eviction order is granted the eviction will proceed. Repeated late payments (four within a twelve month period) are a serious and repeated violation of this Lease and will result in termination of this Lease by the Landlord.

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Both parties acknowledge and agree as follows:

Payment after eviction is filed:

Money paid to the Landlord by the Tenant after an eviction action has been filed shall first be applied to any rent due and then to any other amounts owed by the Tenant. If the money paid by the Tenant exceeds all amounts owed, the Landlord shall refund the Excess by check mailed to the Tenant’s last known address. Tenant understands his/her obligation to pay rent in a timely manner under State law and the parties’ Lease Agreement. Tenant further understands that the authority has the right to evict even if payment is accepted after the fourteen-day notice period. Tenant understands and agrees that payments by Tenant after the Landlord has filed for eviction will NOT serve as waiver of the Writ of Ejectment (set out order) unless the Landlord notifies the Magistrate Court in writing before set-out occurs.

Debt Collection After Tenant Vacates:

Tenant shall pay all costs of collection of any unpaid amounts owed to the Landlord. The Landlord has the right, pursuant to the SC Setoff Debt Collection Act to collect any money owed to the Landlord by the Tenant through an offset of Tenant’s State Income Tax Refund. Tenant understands and agrees that if the Landlord chooses to pursue such debts owed by the Tenant through the Setoff Debt Collection Act, Tenant shall additionally pay all fees charged by the Department of Revenue, the SC Association of Counties, the Municipal Association of SC, and/or Landlord. If Landlord chooses to pursue debts in a manner other than setoff, Tenant agrees to pay all costs and fees associated with the selected manner.

Tenant further acknowledges that upon conclusion of participation in a HUD rental assistance program,

The Landlord is required to provide HUD with information concerning tenancy in accordance with Form HUD-52675 which is made an Attachment to this Lease.

Upon eviction from the premises for drug-related or criminal activities, the Post Office will be notified by the Landlord in order to prevent further mail being delivered to the resident at the address of the Dwelling Unit.

MASC Customer Agreement:

Tenant agrees to pay all costs of collection of the applicant’s unpaid bills. The Spartanburg Housing Authority has the right pursuant to the South Carolina Setoff Debt Collection Act to collect any sum due and owed by the applicant through offset of the applicant’s state income tax refund. If Spartanburg Housing Authority chooses to pursue debts owed by the applicant through the Setoff Debt Collection Act, the applicant agrees to pay all fees and costs incurred through the setoff process, including fees charged by the Department of Revenue, the Municipal Association of South Carolina, and/or the Spartanburg Housing Authority. If Spartanburg Housing Authority

Tenant Initials: _____

chooses to pursue debts in a manner other than setoff, the applicant agrees to pay the costs and fees associated with the selected manner as well.

VII. Terms and Conditions: The following terms and conditions apply to this Lease.

A. Landlord Obligations: The Landlord is obligated:

- 1. To maintain the Dwelling Unit and the project in decent, safe and sanitary condition.
- 2. To comply with the requirements of applicable building codes, housing codes, and HUD regulations materially affecting health and safety;
- 3. To make necessary repairs to the Dwelling Unit.
- 4. To keep project buildings, facilities, and common areas, not otherwise assigned to Tenant for maintenance and upkeep, in a clean and safe condition;
- 5. To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating systems and other facilities and appliances, including any elevators, supplied by the Landlord
- 6. To provide and maintain appropriate receptacles and facilities (except containers for the exclusive use of the individual Tenant Family) for the deposit of ashes, garbage, rubbish, and other waste removed from the dwelling unit and premises by the Tenant as required by this Lease.
- 7. To supply running water and reasonable amounts of hot water and a reasonable amount of heat at appropriate times of the year according to local custom and usage, except where heat or hot water is generated by an installation within the exclusive control of Tenant and supplied by a direct utility connection.
- 8. To notify Tenant of the specific grounds for any proposed adverse action by the Landlord. Such notices will inform Tenant of the right to request a hearing. Such action includes, but is not limited to, a proposed lease termination, transfer of the tenant to another unit, or imposition of charges for maintenance and repair, or for excess consumption of utilities. In the case of a proposed adverse action other than a proposed Lease termination, the Landlord will take no action until the time for requesting a hearing has expired. If the Tenant requests a hearing, the Landlord will take no action until any applicable grievance process has been completed (certain offenses have been excluded from the SHA grievance procedure as allowed by applicable federal law). The notice of proposed adverse action shall inform the tenant of the right to request such hearing. A notice of Lease termination shall constitute adequate notice of proposed adverse action.
- 9. The Landlord shall provide the following equipment and utilities as designated within the Dwelling Unit:

<u> </u> Range	<u> </u> Electric
<u> </u> Water	<u> </u> Sewer
<u> </u> Refrigerator	<u> </u> Dryer
<u> </u> Trash Pick-Up	<u> </u> Patio Furniture
<u> </u> Washer	<u> </u> Garbage Disposal
<u> </u> Gas	

For utilities provided by the Landlord, any charges above the amount included as the utility allowance, which is indicated as an Attachment to this Dwelling Lease, will be billed to the Tenant.

For utilities provided by the Tenant, the rent will be reduced through use of the utility allowance shown as an attachment to this Lease.

B. Tenant Obligations: The members of the Tenant Family (including guests) are obligated:

- 1. Not to assign the Lease, nor sublease the Dwelling Unit;
- 2. Not to provide accommodation to boarders or lodgers;
- 3. To use the dwelling unit solely as a private dwelling for the tenant and the tenant’s household as identified in this Lease, and not to use or permit its use for any other purpose;
- 4. To abide by necessary and reasonable regulations promulgated by the Authority for the benefit and well-being of the housing project and the tenants which shall be posted in the project office and incorporated by reference in this Lease;
- 5. To comply with all obligations imposed upon tenants by applicable provisions of building and housing codes materially affecting health and safety;
- 6. To keep the dwelling unit and such other areas as may be assigned to the tenant for the tenant’s exclusive use in a clean and safe condition. This includes keeping front and rear entrances and walkways free from hazards and trash, and keeping the yard free of debris and litter. Tenant Families who have no household member able to perform such tasks because of age or disability may be excused from these duties.
- 7. To dispose of all ashes, garbage, rubbish, and other waste from the dwelling unit in a sanitary and safe manner;
- 8. To use only in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appurtenances including elevators;

Tenant Initials: _____

9. To refrain from, and to cause the household and guests to refrain from, destroying, defacing, damaging, or removing any part of the dwelling unit or project;
10. To pay reasonable charges (other than for wear and tear) for the repair of damages to the dwelling unit, or to the project (including damages to project buildings, facilities or common areas) caused by the tenant, a member of the household or a guest;
11. To act, and cause household members or guests to act, in a manner which will not disturb other residents' peaceful enjoyment of their accommodations and will be conducive to maintaining the project in a decent, safe, and sanitary condition;
12. To assure that no tenant, member of the tenant's household, or guest engages in:
- A. Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises;
- B. Any drug-related criminal activity on or off the premises.
- An arrest or conviction is not necessary to determine a violation of the Lease. The Authority will use a preponderance of the evidence standard. An expedited hearing will be allowed in accordance with the Grievance Procedure. The term "drug-related criminal activity," as used with this Lease Agreement shall be interpreted to mean the illegal possession, manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.
13. To assure that no other person under the tenant's control engages in:
- A. Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents; or
- B. Any drug-related criminal activity on the premises.
- An arrest or conviction is not necessary to determine a violation of the Lease.
14. To assure that no member of the tenant household engages in an abuse or pattern of abuse of alcohol that affects the health, safety, or right to peaceful enjoyment of the premises by other residents. An arrest or conviction is not necessary to determine a violation of the Lease. The Authority shall use a preponderance of the evidence.
15. To pay promptly any utility bills for utilities supplied to Tenant by a direct connection to the utility company, and to avoid disconnection of any utility service. Failure to maintain utilities shall render the unit uninhabitable and shall be considered a serious violation of the Lease.
16. To adhere to the Authority's Housekeeping Standards.
17. To notify the Authority *promptly* of known need for repairs to his Dwelling Unit, and any unsafe or unsanitary conditions in the Dwelling Unit or in common areas and grounds of the Project. The Authority shall be responsible for repair of the unit within a reasonable time provided, that if the damage was caused by the tenant, tenant's household or guests, the reasonable cost of the repairs shall be charged to the tenant. The Authority shall offer standard alternative accommodations, if available, where necessary repairs cannot be made within a reasonable time. Provisions shall be made for abatement of rent in proportion to the seriousness of the damage and loss in value as a dwelling if repairs are not made in accordance with this section or alternative accommodations not provided, except that no abatement of rent shall occur if the tenant rejects the alternative accommodation or if the damage was caused by the tenant, tenant's household or guests;
18. To refrain from littering or leaving trash and debris in common areas and to dispose of all garbage, rubbish, and other waste from the Dwelling Unit in the containers approved or provided by the Authority.
19. To make no alterations, or repairs, or redecorate the interior of the Dwelling Unit or to the equipment, without written consent of the Authority including changes to locks or installation of new locks on exterior doors. To use no nails, tacks, screws, brackets, or fasteners on any part of the Dwelling Unit (a reasonable number of picture hangers accepted) without authorization from the Authority.
20. Not to install additional equipment or major appliances, including space heaters or kerosene heaters;
21. Not to store any vehicles or gasoline within the Dwelling Unit;
22. To give prior notice to the Authority before leaving the Dwelling Unit unoccupied for any period exceeding one-calendar week;
23. Not to display, use, or possess any illegal firearms, (operable or inoperable) or illegal weapons (as defined by South Carolina law) anywhere on the property of the Authority; including any firearms which are not properly registered and licensed to the person in possession of the firearm or to the person legally residing within the Dwelling Unit, if so required by applicable law. The display, use, or possession of ANY firearm or other weapon by any member of the Tenant Family (including guests and other persons under the tenant family's control) on the property of the Authority is an unequivocal, free and voluntary expression of the tenant family that it will be solely liable for any and all consequences of such display, use, or possession, and its agreement to hold the Authority absolutely harmless from all such actions and or activities.
24. To take reasonable precautions to prevent fires and to refrain from storing or keeping highly volatile or flammable materials upon the premises including ~~the~~ but not limited to the attic and crawl space. Any fire which is caused by the Tenant, a member of the tenant household, a guest or visitor, shall result in the Tenant being charged for the costs of repairs and, dependent upon the individual circumstances through a preponderance of the evidence, possible termination of the Dwelling Lease for violation of health and safety;

Tenant Initials: _____

- 25. To refrain from keeping, maintaining, or harboring any animal in the Dwelling Unit except according to the Authority’s PetPolicy;
- 26. To act cooperatively with neighbors and the Authority staff and to refrain from acting or speaking in an abusive or threatening manner toward neighbors and the Authority staff.
- 27. Not to commit any fraud in connection with any Federal housing assistance program, and not to receive assistance for occupancy of any other unit assisted under any Federal housing assistance program during the term of the lease.
- 28. To insure that each adult in the Tenant Family performs at least eight (8) hours per month of qualifying community service in accordance with HUD regulations and the Authority’s Admissions and Continued OccupancyPolicy.
- 29. To refrain from erecting radio or television antennas or satellite dishes on any part of the Dwelling Unit and grounds. Satellite dishes may be not affixed to either the building or the grounds. A small portable tripod or container may be used with the written consent of the Authority. The Tenant and provider must enter the Resident and Provider Acknowledgement for Satellite Communications Equipment prior to any installment of equipment. Failure to request and obtain written permission from the Authority will be considered a violation of the Lease Agreement.
- 30. To remove from the Authority property any vehicles without valid registration and license tag. Any inoperable or unlicensed vehicle will be removed from the Authority’s property at Tenant's expense. Automobile repairs or washing vehicles are not permitted on the project site.
- 31. To refrain from parking any vehicles on areas that may damage the grass or irrigation system or maintaining any items in the outside area assigned to the Dwelling Unit which may result in damage to the grounds. (i.e. pools, swing set, etc.) Resident acknowledges that they will be subject to charges incurred for restoring the property of the Authority due to failure to comply with this requirement.
- 32. To refrain from performing any vehicle repairs in the parking area or on the project site. Oil leaks and other issues causing damage will result in a charge to the tenant.
- 33. 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 the Authority.
- 34. To use appropriate, and properly install, window coverings such as blinds, shades, drapes or curtains to establish a uniform neat appearance. Bedspreads, sheets, or other items which are not normally utilized as window coverings are not allowed.
- 35. To refrain from placing indoor furniture on porches. This includes any upholstered furniture. Must properly maintain any patio or outdoor furniture furnished by the Authority.
- 36. To report changes in income and family composition in writing to the Property Manager within ten days of the date of its occurrence in accordance with Section IX of this Lease Agreement and to obtain prior written approval from the Authority before allowing anyone to move into the unit, other than by birth, adoption, or court awarded custody. Failure to accurately report any changes in accordance with these requirements is considered a serious Lease violation.
- 37. Not to allow regular accommodations for overnight visitors, particularly those residing within near proximity or within a fifty mile radius of the Dwelling Unit.
- 38. To report any overnight visitors in writing to the Property Manager. A visitor may not be allowed to stay in the unit in excess of fourteen cumulative days within a calendar year. The Tenant may not allow continuous extended overnight visits, particularly for those visitors residing within short proximity (50 mile radius) of the dwellingunit.
- 39. To refrain from harboring any fugitive felon or parole violator within the Dwelling Unit.
- 40. To refrain from harboring any person attempting to allude the Police Department due to current criminal activity.
- 41. To cooperate in allowing access to the Dwelling Unit by the Authority for inspection purposes or to show the Dwelling Unit for re-leasing after a 48 hour notice is given by the Authority or to allow access for work requested by the Tenant. Work requested by the Tenant does not require further notification from the Authority for accessing the Dwelling Unit.
- 42. To refrain from smoking inside of the dwelling unit and in common areas, other than those designated by the Landlord for that purpose. [To adhere to the SHA Smoke Free Policy.](#)
- 43. To refrain from disconnecting, damaging, or otherwise rendering useless any smoke detector within the Dwelling Unit. Failure to observe this obligation shall result in a charge of \$50 to the Tenant and possible termination of the Lease.
- 44. To report sightings of pests or evidence of their existence to the property manager of the site, and conduct preventive measures to avoid pest infestation by adhering to housekeeping standards. To pay for damage by infestation that is found to be occupant caused. To not refuse periodic pest control treatment measures and to make units accessible for treatment after a 48 ~~hours notice~~[hours’ notice](#) has been provided by management or the pest control contractor. To cooperate with and follow all reasonable instructions for preparing the apartment and household for treatment, as prescribed by the pest control contractor and/or management. To comply fully with the terms and conditions of the Pest Policy.
- 45. To be responsible for insuring personal property against any and all losses and contingencies. It is recommended that residents obtain renter’s insurance. The Authority will not be liable under any circumstances for damage to, destruction of, or loss of your personal property.

Tenant Initials: _____

VIII. Occupancy and Use of Premises

- A. The Tenant Family, with the prior written approval of the Authority, may use the Premises for legal profit-making activities.
- B. The Tenant is obligated to report in writing to the Authority any changes in household composition within ten days of the occurrence. The Authority must approve in advance any additions to the household members named on the lease, excluding natural births, adoptions, and court-awarded custody. Approval will be granted, if the new household members, including live-in aides and foster children, pass the Authority's screening criteria and a unit of the appropriate size is available. Moving additional persons into the Premises without prior written approval is a serious violation of this Lease.
Social security numbers must be provided in order to add a member to the Lease.
- C. Tenant must report deletions (for any reason) from the persons named on this Lease to the Authority in writing, within 10 days of the occurrence.
- D. Adult children may **not** move back into the unit unless it is determined that the move is essential for the mental or physical health of Tenant and the change does not disqualify the family for the size of the unit it is currently occupying.
- E. The Tenant Family may provide reasonable accommodation for guests or visitors for a period not exceeding fourteen (14) days each year with the advance written consent of the Authority and in accordance with Part VII.B. of this Lease Agreement. Upon written request to the Housing Manager, the term may be extended.

IX. Redetermination of Rent, Dwelling Size, and Eligibility.

Tenant Family understands and acknowledges that the Dwelling Unit is contained within a federally subsidized housing program and, as such, is subject to specific requirements and restrictions in accordance with Federal law.

- A. The Authority will reexamine the status of the Tenant Family at least once a year. SHA will comply with HUD regulations that permit less frequent reexaminations where applicable. Tenant Family must supply accurate information about family composition, age, income and sources of income, assets, community service activities, and related information for all members of the household. The Authority will use this information to decide eligibility and rent and whether the dwelling size is still appropriate for the Tenant Family needs. Failure to supply such information when requested is a serious violation of this Lease and could result in termination of the Lease.
- B. The Authority must verify all information annually unless otherwise governed by HUD regulations Tenant agrees to sign releases for third-party sources, present documents for review, or provide other suitable forms of verification. The Authority will give Tenant reasonable notice of any actions Tenant must take, and of the date by which they must take such action.
Failure to furnish information and sign necessary documents required in order for the Authority to determine the income and family composition is a serious violation of the Lease and will result in termination of the Lease.
Tenant acknowledges that the Authority shall further use the HUD electronic system (hereinafter referred to as EIV) for verification of income. Discrepancies discovered during this process, if any, must be corrected and/or satisfactorily documented by Tenant.
- C. Rent will change during the period between regular reexaminations if the Tenant has reported the change to the Authority in writing within ten days of its occurrence or if the Authority discovers that the information provided has been misrepresented, or if the Authority determines there has been an error in the rent computation.
 - 1. Change in circumstances. If Tenant can verify a change in his/her circumstances (such as decline in or loss of income) that would justify a reduction in rent, the Authority will reduce the rent effective the first of the month following the month in which the change was reported. Rent may not be reduced if Tenant's TANF grant is reduced because Tenant committed welfare fraud or failed to comply with a welfare department economic self-sufficiency requirement. If the Authority grants a reduction, Tenant must report subsequent increases in income in writing within 10 days of the occurrence, until the next scheduled reexamination. (Failure to report within the 10 days may result in a retroactive rent charge.)
 - 2. Misrepresentation. If it is found that Tenant has misrepresented the facts upon which the rent is based and, the rent is less than should have been charged, the Authority may apply an increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred. Retroactive amounts due exceeding \$1,000 are not eligible for an extended payment agreement for reimbursement to the Authority.
 - 3. Federal Requirements/Errors. The Authority will adjust rent after a change in Federal law or regulations controlling rent formulas or procedures. The Authority will adjust the rent as a result of audits in the event

Tenant Initials: _____

that an error has been discovered in the rent computation.

- 4. Changes in family composition. The Authority will adjust the rent following a change in family composition. If Tenant has not reported such changes to the Housing Manager in writing within 10 days of the occurrence, retroactive rent will be charged.
- D. Rent Adjustment Notices. The Authority will notify the Tenant in writing of any rent adjustment due to the situations described above. The notice will state the effective date of the rent adjustment.
 - 1. Decreases. Adjustments decreasing the rent shall become effective on the first day of the month following the date the change was reported, provided Tenant reported the change in a timely fashion.
 - 2. Increases. When an increase in income and Tenant reported the change within ten calendar days of the occurrence, the increase will become effective on the first day of the second month following the reported change.
 - 3. Misrepresentation. 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, the Authority will apply the increase in rent retroactive to the first of the month following the month in which the misrepresentation or failure to report occurred. In the event the misrepresentation results in a retroactive amount which is higher than \$1,000, prosecution may be initiated by the Authority in accordance with Federal and State law.
- E. Transfers.
 - 1. Tenant agrees that if the Authority determines that the size or design of the Dwelling Unit is no longer appropriate to Tenant Family's needs, Tenant will accept a new lease for a different Dwelling Unit of the appropriate size or design.
 - 2. The Authority may move a Tenant Family into another unit if necessary to rehabilitate or demolish Tenant's unit.
 - 3. A Tenant without disabilities occupying a unit with special features must transfer to a unit without such features should a Tenant with disabilities need the unit.
 - 4. With involuntary transfers, Tenant must move into a Dwelling Unit made available by the Authority. Tenant will have five (5) business days to move, following delivery of a transfer notice.
 - 5. The Authority will consider any Tenant requests for transfers following the transfer priorities established in the Admissions and Continued Occupancy Policy.
- F. At the annual re-certification, Tenant Family must certify compliance with the community service requirement, if applicable.

X. Accommodations for Persons with Disabilities.

- 1. If a Tenant makes a written request for special unit features in support of a documented disability, the Authority will modify the Tenant's existing unit. If the cost and extent of the modifications needed are tantamount to those required for a fully accessible unit, the Authority may offer to transfer Tenant to another unit with the features requested.
- 2. If Tenant, due to physical or mental impairment, is no longer able to comply with the material provisions of this Lease, and cannot arrange for someone to aid him/her in complying with lease requirements, and the Authority cannot make any reasonable accommodation that would enable Tenant to comply, the Authority will assist Tenant, or a designated member(s) of the family, to find more suitable housing and move Tenant from the Dwelling Unit.
- 3. SHA will modify policies, rules, and procedures in order to accommodate persons with disabilities so that such individuals can make effective use of the housing programs.

XI. Use of Security Deposit. Tenant may not use the security deposit to pay rent or other charges while occupying the Dwelling Unit. The Landlord will use the security deposit at the termination of this Lease:

- A. To pay the cost of any rent or any other charges owed by Tenant at the termination of this Lease.
- B. To reimburse the cost of repairing any intentional or negligent damages to the Dwelling Unit caused by the Tenant Family or guests over and above normal wear and tear.

The Landlord will refund any remaining security deposit balance within thirty (30) days AFTER Tenant has vacated the unit and provided Landlord with a forwarding address. Landlord will inspect the Dwelling Unit immediately after Tenant vacates the unit. If the Authority makes any deductions, it will provide Tenant with a written statement of any costs for damages and/or other charges so deducted.

XII. Damage to the Unit. If the Dwelling Unit is damaged and conditions hazardous to the life, health, or safety of the Tenant Family exist:

Tenant Initials: _____

- A. Tenant must immediately notify the Landlord of the damage.
- B. The Landlord is responsible for repairing the unit within a reasonable period after receiving notice of the damage. If the Tenant Family or its guests caused the damage, the Landlord will charge the reasonable cost of the repairs to Tenant.
- C. The Tenant Family will be offered a replacement Dwelling Unit, if available, when the Landlord is unable to complete repairs within a reasonable time. The Tenant Family must accept any replacement unit offered by the Landlord. If, however, Tenant Family or guests caused the hazardous condition, the Landlord will not offer a replacement Dwelling Unit.
- D. In the event the repairs cannot be completed in a reasonable time, and alternative accommodations are not available, rent will be abated in proportion to the seriousness of the damage and loss in value as a dwelling. If Tenant rejected alternative accommodations or the Tenant Family or guests caused the damage, abatement of rent will not occur.

XIII. Move-in and Move-out Inspections.

- A. Move-in Inspection. The Landlord and the Head of Household will inspect the Dwelling Unit prior to occupancy by Tenant. The Landlord will give Tenant a written statement of the condition of the Dwelling Unit, both inside and outside, and note any equipment provided with the unit. The Landlord and Tenant will sign the statement. The Landlord will retain a copy of the statement in Tenant's folder. The Landlord will correct any deficiencies noted on the inspection report, at no charge to Tenant.
- B. Move-out Inspection. When Tenant vacates, the Landlord will inspect the unit and give Tenant a written statement of the repair charges, if any, for which Tenant is responsible. A representative of the Tenant Family may join in such inspection.

XIV. Entry of Premises During Tenancy.

- A. Tenant agrees to permit the Authority’s authorized agent, employee, or contractor to enter Tenant's dwelling during reasonable hours for routine maintenance (9:00 A.M. to 6:00 P.M.); for Tenant requested maintenance (8:00 A.M. to 8:00 P.M.); and also during reasonable hours upon forty-eight (48) ~~hours – notice~~hours’ notice for making improvements or other repairs, inspecting the unit, or showing the unit for re-leasing.
- B. The Landlord will give Tenant at least 48 ~~hours – notice~~hours’ notice that the Authority intends to enter the Dwelling Unit whenever possible. Advance notice may not be possible in the case of emergencies. When Tenant calls to request maintenance on the Dwelling Unit, the Landlord will attempt to provide such maintenance at a time convenient to Tenant, however, the Landlord will not provide prior notice for work which has been requested by the Tenant. In the event an adult member of the household is not present at the time of entry, the Authority will leave a written statement prior to leaving specifying the date, time and purpose of the entry.

XV. Notice Procedures.

- A. Notices to the Landlord. Any notice to the Landlord must be in writing, delivered to the Project Office or to the Landlord's main office, or sent by prepaid first-class mail, addressed as follows: Housing Authority of the City of Spartanburg, ~~201 Caulder Ave., Suite A PO BOX 2828~~, Spartanburg, SC ~~29306~~29304.
- B. Notices to Tenant. Notice to the Tenant Family will be in writing, delivered to any adult member of the Tenant Family, or sent by first-class mail addressed to Tenant. If Tenant is visually impaired, all notices will be in an accessible format.

XVI. Termination of the Lease:

- A. Termination by Tenant. Tenant may terminate this Lease by giving thirty (30) day’s written notice to the Landlord. Tenant will be responsible for returning the keys to the unit upon vacating. Failure to return the keys and arrange for a move-out inspection may result in rent continuing to be charged to the Tenant.
- B. Termination by the Authority. The Landlord may terminate this Lease only for serious or repeated violations such as failure to make payments due under the lease, failure to fulfill household obligations or for other good cause as listed in Sections VII, VIII and IX. . Other good cause includes but is not limited to:

Tenant Initials: _____

- 1. Engaging in criminal activity.
- 2. Engaging in alcohol abuse that is determined to be detrimental or harmful to other residents or to their right to peaceful enjoyment of the premises.
- 3. Registration as a sex offender during tenancy.
- 4. Discovery of facts after admission that made the Tenant ineligible.
- 5. Discovery of material false statements or fraud in connection with an application or with reexamination of income.
- 6. Failure of a family member to comply with the community service requirements contained in the Landlord’s community service policy.
- 7. Failure to permit access to the unit after proper advance notification for the purpose of performing routine inspections, making improvements, or showing the dwelling unit for re-leasing, and failure to permit access without advance notice if there is reasonable cause to believe that an emergency exists.
- 8. Changing of locks on the Dwelling Unit to prohibit necessary and reasonable access by the Landlord.
- 9. Failure to report any changes in family composition or income.
- 10. Failure to provide by Policies established by the Landlord as posted in the Project Office and made a part of this Lease through attachment
- 11. Failure to honor the terms and conditions of any payment agreement executed with the Landlord.
- 12. Harboring a fugitive
- 13. Abusive, threatening or violent behavior, either verbal or physical, toward other residents or Landlord staff
- 14. Failure to execute a lease revision after written notice of at least 60 days before the lease revision is to take effect and specifying a reasonable time limit for acceptance by Tenant.
- 15. Any other grounds for termination set forth in Parts VII, VIII, and IX of this Lease.

~~In accordance with the Violence Against Women and Justice Department Reauthorization Act of 2005, the Landlord will not consider incidents of domestic violence, dating violence or stalking as serious or repeated violations of the lease or as “other good cause”. The Landlord will not consider criminal activity directly relating to abuse, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, cause for termination of the Lease if the tenant or an immediate member of the tenant’s family is the victim or threatened victim of the abuse; however, the perpetrator of such abuse may be independently terminated as a Tenant and removed from the Lease by Landlord. The Landlord will require certification and documentation in order to substantiate these circumstances. Failure of the tenant to provide the supporting documentation required within the specified timeframe may result in eviction in accordance with the original offense.~~

VAWA provides that no person may deny assistance, tenancy, or occupancy rights to public housing to a tenant solely on the basis of “criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is, engaged in by a member of the household of the tenant or any guest or other person under the control of the tenant, if the tenant or affiliated individual is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking [FR Notice 8/6/13].

VAWA further provides that incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed either as serious or repeated violations of the lease by the victim or threatened victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence [24 CFR 5.2005(c)(1), FR Notice 8/6/13].

- C. Notice Requirements. The Landlord will give advance written notice of the proposed termination of the Lease as follows:
- 1. 14 days for failure to pay rent;
 - 2. A reasonable time, but not to exceed thirty days, considering the seriousness of the situation.
 - 3. In the case of drug-related or violent crime, a reasonable time based upon consideration of the seriousness of the offense and the likelihood of danger to the community. In these cases, no grievance process is available or applicable in accordance with the Authority’s grievance procedure and applicable federal law.

- D. Contents of Notice. The notice of termination to Tenant will state specific reasons for the termination, inform the Tenant of his/her right to make a reply and advise the Tenant of the right to examine Landlord documents relevant to the termination, or to have any representation the Tenant may chose at the Tenant’s expense.
- The notice to vacate will conform to Federal and State Law. The notice shall also inform the Tenant of their right to request a hearing in accordance with the Grievance Procedure and the applicable time allowed for the request.

In the event the termination is due to the violent or drug-related crime, the Landlord shall notify the Tenant that it has excluded such offenses from its grievance procedure in accordance with Landlord’s written grievance procedure and applicable federal law. The notice shall inform the Tenant that no grievance procedure is available.

- E. In evicting for criminal activity, the Landlord has discretion to consider all of the circumstances of the case including, the seriousness of the offense, the participation by or awareness of family members, and the effects

Tenant Initials: _____

that the eviction would have both on family members not involved in the proscribed activity and on the family's neighbors. In appropriate cases, the Landlord 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. The Landlord 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 before he or she is allowed to reside in the unit.

XVII. Amendment. Neither party may amend the terms of this Lease except in writing signed by the Landlord and every adult in the Tenant Family. The Tenant Family agrees to cooperate and sign any amendment to this lease upon request. The attachments containing rules and regulations applicable to the Tenant Family are provided as a matter of information but are subject to modification from time to time at the sole discretion of the Landlord.

XVIII. Waiver. No delay or failure by the Landlord in exercising any right under this Lease will result in a future waiver of that or any other right.

ATTACHMENTS: If indicated by an (X) below, the Authority has provided the Tenant Family with the following attachments:

- | | |
|--|--|
| <input type="checkbox"/> Utility Allowance | <input type="checkbox"/> HUD Form 52675 |
| <input type="checkbox"/> Move-in Inspection Report | <input type="checkbox"/> Standard Maintenance Charges |
| <input type="checkbox"/> Grievance Procedure | <input type="checkbox"/> Lead Hazard Information Pamphlet |
| <input type="checkbox"/> Lead Disclosure Addendum | <input type="checkbox"/> Community Service Policy |
| <input type="checkbox"/> VAWA | <input checked="" type="checkbox"/> Smoke Free Policy |
| <input checked="" type="checkbox"/> HUD Form 5382 | <input type="checkbox"/> Rent Selection Form |
| <input type="checkbox"/> Pet Policy | <input type="checkbox"/> HUD Form 92006 |
| <input type="checkbox"/> Housekeeping Standards | <input type="checkbox"/> Vehicle & Parking Policy |
| <input type="checkbox"/> What You Should Know About EIV | <input type="checkbox"/> Minimum Rent Hardship Policy |
| <input type="checkbox"/> Pest Control Policy | <input type="checkbox"/> Reasonable Accommodation Process |
| <input checked="" type="checkbox"/> Campus of Learners Contract | <input type="checkbox"/> Complex Information & Rules Attachment |
| <input type="checkbox"/> Pre-Authorized Payment | |
| <input type="checkbox"/> Other _____ | <input checked="" type="checkbox"/> Bed Bug Policy |

The Tenant Family agrees that all the provisions of this Lease and all attachments have been received reviewed with the Landlord and are understood. We agree to be bound by the terms and conditions as written. We acknowledge that a copy of this Lease and all attachments have been received and thoroughly explained to us.

_____ HEAD OF HOUSEHOLD	_____ DATE
_____ CO-TENANT:	_____ DATE
_____ CO-TENANT:	_____ DATE
_____ PROPERTY COMMUNITY MANAGER/OCCUPANCY	_____ DATE

CERTIFICATION WARNING! Title 18, Section 1001 of the US Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the U.S. Government.

I, _____, as Head of Household certify that I, and the other members of the Tenant Family, have not committed any fraud in connection with any federal housing assistance program, unless such fraud was fully disclosed to the Landlord before execution of this Lease, or before the Landlord approval for occupancy of the unit by the Tenant Family.

I have not failed to report any change of status regarding household composition and income in connection with any Federally Assisted Housing Program.

I further certify that all information or documentation submitted to the Landlord by me or other members of the Tenant Family in connection with any federal housing assistance program are true and complete to the best of my knowledge and belief.

Tenant Initials: _____

Signature of Head of Household

Date

Signature of Co-Tenant

Date

Tenant Initials: _____

Tenant Initials: _____



Community Rules Revised

**Board of Commissioners Meeting
Tuesday, June 26, 2018**



COMMUNITY POLICIES AND RULES

- 1) Community Orientation Sessions;
 - a) New residents must attend a Community Orientation Session within the first 60 days of occupancy. Community Orientation Session dates and times will be posted in Property Management Offices.
- 2) Rental Collection:
 - a) **Rent is DUE and PAYABLE in advance on the first day of each month and shall be considered delinquent after the fifth calendar day of the month.**
 - b) A late fee of \$15 will be added on the 5th of the month.
 - a) Also on the 5th day of the month a 14 day Notice to Vacate will be issued to the resident for failure to pay rent, demanding payment in full or the surrender of the premises.
 - b) This will serve as a notice to the resident that they will have fourteen days to pay the rental payment in full before a Writ of Ejectment will be filed with the Spartanburg County Magistrate Court. At which time a \$45 court cost will be applied to the rental account. When a court date is awarded, the resident will only be allowed to pay in full all amounts owed.
 - c) Repeated late payments (four within a twelve month period) are a serious and repeated violation of this Lease and will result in termination of this Lease by the Landlord.
- 3) Office Hours:
 - a) The management office will have all office hours posted on site. The office phone number is (864)-_____.
- 4) Maintenance Request:
 - a) During business hours, you must report work orders to your management office. You may call the EMERGENCY work order line at (864) 598-6128 only for emergency service requests after 5:00 PM, Monday thru Friday and anytime on weekends and holidays. The emergency line is for true EMERGENCIES only.
- 5) Emergency calls:
 - a) The following are considered emergencies:
 - i) No heat
 - ii) No Electricity
 - iii) Gas Leaks or Smell of Gas
 - iv) Flooding of your apartment
 - v) Fire
 - vi) Carbon Monoxide Presence
 - vii) Total Stoppage of the plumbing drain system when there is only one toilet or drain
- 6) ~~Garage's and Crawl Spaces:~~
 - a) ~~Management assumes no responsibility for the safekeeping of personal property in garage areas. Residents who store or leave personal property in any garage do so at their own risk and agree that they will make no claim or demand to Management for any loss or damage to property that occurs. There is a greater risk of theft, vandalism, or exposure to elements including water in garages and Resident assumes this risk without recourse to Management in leaving or storing property in a garage.~~
 - b) ~~Automatic garage door openers are to be used by adult Residents only. (If you lose your garage door opener, there is a replacement fee).~~
 - c) ~~Garage doors are to remain closed at all times.~~
 - d) ~~Children are prohibited from playing in the garage area(s) including in and around the garage entrance and exit doors.~~
 - e) ~~The garage area must be maintained in good and clean condition. Vehicle repair or vehicle maintenance work is prohibited.~~
- 7) ~~6)~~ Storage:
 - a) Resident agrees not to store anything in violation of any statute, regulation, or city ordinance.
 - b) This includes but is not limited to storage of explosives or highly flammable materials or goods or any environmentally hazardous substances or materials or equipment.
 - c) This provision includes charcoal lighter fluid any type of equipment with a gasoline motor, ie: mopeds, dirt bikes and lawn mowers.
 - d) This provision includes storage of such items inside of dwelling units, hallway, breezeway or garage.
- 8) ~~7)~~ Noise Levels:
 - a) Be considerate of your neighbors and reduce the volume of your stereo, television set, radio, or other musical instrument after 10:00 PM so that the noise from your apartment will not disturb your neighbors. No loud parties, blaring automobile systems, televisions, stereos, etc., will be permitted at any time on the premises.

~~9)~~8) Conduct:

- a) Resident is to conduct himself and his guests (guests include any person in the apartment or on the premises with resident's consent) are to conduct themselves in such a manner that other Resident's peaceful and quiet enjoyment of the premises is not disturbed and to assure that actions are not offensive, noisy, dangerous, or disruptive to the rights, privileges and welfare of other Residents and persons. Resident is responsible for actions of his guests while on the premises.

~~10)~~9) Laundry:

- a) Laundry or other articles shall NOT be hung for any purpose from the outside of Resident's apartment or on the inside across doors or stairways, and shall not to be hung or draped over ceiling fans or over air vents.
- b) "Outside" shall include HVAC units or cages, balconies and patios of Resident's apartment.
- c) Clotheslines, other than those provided by Management, shall NOT be erected or used at anytime.

~~11)~~10) Window Coverings:

- a) Drapes; blinds or window coverings provided by management shall NOT be removed without prior written approval. Any other draperies or other window coverings must be white or lined in white so only white may be seen from outside your apartment.
- b) Residents are required to use and properly install appropriate window coverings such as blinds, shades, drapes or curtains to establish a uniform neat appearance.
- c) Bedspreads, sheets, or other items which are not normally utilized as window coverings are not allowed.

~~12)~~11) Plumbing

- a) Use toilets, sinks, tubs, drains, and other plumbing fixtures only for the purpose for which it was intended.
- b) Please do NOT put grease in commodes or drains; it will stop up the sewer line.
- c) Please report promptly to Management, any leaking faucets or plumbing fixtures or anything that requires immediate attention.

~~13)~~12) Physical or Verbal Abuse:

- a) No Resident, family member or guest of a Resident, shall verbally or physically abuse the Manager or any other employee of Management at any time.
- b) Violation of this policy is grounds for immediate termination of your lease.

~~14)~~13) Children:

- a) Residents are responsible for the appropriate supervision of minor children and guests.
- b) Residents should refrain from leaving toys, bicycles, or other personal property in a public area or on access areas when not in actual use.
- c) For safety reasons, rollerblading, skating, riding bikes, or other wheeled equipment is not permitted in garages, parking areas, or sidewalks or other walkway.
- d) Residents and their children are asked to respect and take care to preserve and protect all trees, shrubbery, plantings, or other portions of the common areas, including any graveled areas, landscaping woodchips, etc.
- e) Climbing on trees or bushes, sitting on fences, removing decorative stone, or any other landscaping material, climbing on garages, or throwing anything on roofs is prohibited.

~~15)~~14) Balconies/Patios:

- a) Balconies or patios may not be used for storage or hanging clothes.
- b) No carpeting of balconies/patios is allowed unless approved by Management.
- c) In accordance with local laws and safety concerns, no grilling, cooking or any open flame is permitted on balconies, patios or garages.
- d) It is not permitted to run electric cords from the apartment to a balcony or patio area.
- e) Bird feeders and feeding of other animals are prohibited.
- f) Plants are permitted but Residents are expected to put protection under plants to prevent water or dirt from staining the balcony or patio area or leaking to any other balcony or patio area.
 - i) Residents will be responsible for any water or material falling from a balcony area or damage done to a balcony or patio.
 - ii) Care should be taken with pots to use natural dirt and planting material that is not flammable.
 - iii) Some fertilizers and potting material are combustible when placed in heat or sun and should not be used in the balcony or patio area.

~~16)~~15) Keys:

- a) Additional keys will be provided at a charge of \$15 per key (garage, laundry, dwelling unit, and mailbox) if a Resident request.
- b) If the Resident requests their apartment lock to be changed, there is a charge of \$50.00 which includes two keys.
- c) If the Resident loses a key so that it is necessary to change locks, the charges for changing locks and new keys are to be paid by Resident at the time of the next full month rental cycle.
- d) If you lock yourself out of your apartment or lose your key during regular business hours, you will be charged a service charge of \$15.00 plus the cost of new key and any materials required to make any

necessary repairs. You must provide identification as proof that you are a resident of the apartment. Without identification you will not be granted access to the apartment.

- e) If you lock yourself out of your apartment or lose your key outside of regular business hours, you must call a locksmith. You are responsible for the charge of the locksmith. Management or maintenance staff will NOT respond to afterhours calls for lock outs.

~~17)~~16) Trespass Notice Program:

- a) Residents are expected to honor the Public Safety Officers Trespass Notice Program by reporting any and all suspicious persons who do not live in your community.
- b) SHA reserves the right to restrict guests on SHA properties.

~~18)~~17) Satellite Dishes:

- a) Satellite Dishes installation is prohibited by the Spartanburg Housing Authority on the structure or premises of Spartanburg Housing Authority without prior written approval.
- b) Any unapproved dish or any dish that is improperly installed or fails to remain properly installed will be removed and charges assessed the resident.

~~19)~~18) Air Conditioners:

- a) Installation of window air conditioners requires pre-approval by Spartanburg Housing Authority.
- b) Installation must be completed in professional manner and must be inspected to ensure compliance with good workmanship manner.
- c) Removal and damage charges will be assessed to residents.
- d) Window units will not be allowed in sites where central A/C is available.

~~20)~~19) Excessive Utility Usage:

- a) Meter readings are recorded such that the reading is for the previous month and payment is due on the rent statement two (2) months following the reading; for example, utilities used in December will be reflected as amount due on the March Rent Statement.

~~21)~~20) Trash and Debris:

- a) Community shall be kept in a clean, safe and sanitary condition.
- b) You are responsible for the exterior of your apartment including the front and rear areas.
- c) The community is to remain free of trash and debris.
- d) No indoor furnishings are allowed on the outside of the apartment.
- e) Do not discard garbage or objects of any kind on the grounds, parking lots or around the dumpster area.
- f) Large items are to be placed inside the dumpster enclosure closest to your apartment.
- g) A fee of \$50 will be charged if trash is found on the grounds with your name or address.
- h) Remember, you are also responsible for the actions of your guests.

~~22)~~21) Trash Dumpsters and Roll-Out Carts

- a) Dumpsters are for the sole usage of community residents only.
- b) The following items ARE NOT to be placed in the dumpsters: dirt, leaves, shrubbery clippings, construction material; car parts; batteries; tires; furniture; appliances.
- c) It is resident's responsibility to have the roll-out carts and/or recycle bins placed curbside on the day of pick up and removed no later than noon on the following day.

~~23)~~22) Water Beds:

- a) Waterbeds are prohibited in Spartanburg Housing Authority units due to load factors and potential water damage. Under no circumstances are waterbeds permitted.

~~24)~~23) Tenant Lockout Procedures: In the event you are locked out of your apartment; (1) you must contact Maintenance Dispatch (after-hours will be forwarded to answering service for dispatch). (2) You must provide identification as proof that you are a resident of the apartment; without identification, you will not be granted access to the apartment. (3) You will be charged a minimum service charge of \$20 plus the cost of any materials for lock-out calls during the normal work hours and \$45.00 for after-hours calls, plus the cost of material to make any necessary repairs.

~~25)~~24) Tampering with Smoke Detectors:

- a) The Housing Authority has installed and maintains smoke detectors in each apartment for the safety of residents.
- b) It is considered a serious violation of the lease to remove or disable the smoke detector.
- c) Any Resident who is found to have tampered with the smoke detector will be issued a written warning on the first instance. A second offence is \$25.00, and a third offence will result in a charge of \$50.00.
- d) Any subsequent violation will be subject to the issuance of an Eviction Notice.

~~26)~~25) Sprinkler Heads:

- a) Residents of Archibald Rutledge Apartments shall not place any items in the vicinity of the sprinkler system heads that might impair the effectiveness of these devices.

~~27~~26) Elderly/Disabled Services:

- a) In the event that you have special needs, request a referral for assessment from the Spartanburg Housing Authority Services Coordinator.
- b) If you are in need of reasonable accommodation, as a result of a disability, please notify SHA management; In some cases, documentation from a physician or other acceptable sources may be required.

~~28~~27) Illegal Parking:

- a) Under no circumstances may resident vehicles or visitor vehicles be parked in any areas other than paved areas designated for parking.
- b) Residents may be assigned parking permits that must be affixed to cars registered to the residents.
- c) Parking of vehicles on lawn areas is strictly prohibited and violators may be ticketed or towed.
- d) Repeated violations may result in the termination of the lease.
- e) Abandoned, inoperable, unregistered, or derelict vehicles may not be parked on Housing Authority property.
- f) Towing of such vehicles will be accomplished in accordance with South Carolina Statute Section 56-5-5850.

~~29~~28) Vacating of Units:

- a) You are required to provide 30-day NOTICE OF INTENT TO VACATE prior to moving.
- b) Keys must be returned to the Community Manager to avoid additional rent charges.

~~30~~29) Smoking:

- ~~a) No smoking is permitted in the common areas of Archibald Rutledge Hi-Rise at any time.~~
- ~~b) US Department of Housing and Urban Development 24CFR part 965 "Instituting Smoke Free Public Housing". SHA will require all residents to comply with no smoking in any public housing property once the HUD final rule is published. Residents will be notified and designated smoking areas on each property will be identified.~~
- a) In accordance with HUD regulations, the Housing Authority of City of Spartanburg (SHA) has adopted a smoke-free policy for all public housing sites. The policies are effective as of July 30, 2018.
- b) The term "smoking" means any inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, or other prohibited tobacco product in any manner or any form. Prohibited tobacco products include water pipes or hookahs.
- c) Residents are responsible for ensuring that household members and guests comply with this rule.

~~31~~30) Pet Policy:

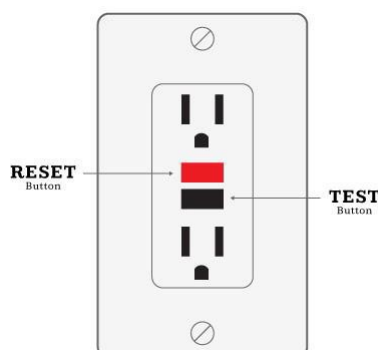
- a) Residents are to refrain from keeping, maintaining, or harboring any animal in the Dwelling Unit except according to the Authority's Pet Policy.
- b) Failure to properly dispose of pet waste will result in progressive fines. Continued violation of proper disposal of pet waste may result in the termination of the lease.

~~32~~31) Elevators:

- a) Elevators are to be used for personal transportation only from floor to floor.
- b) Do not use elevators in case of fire and severe weather.

~~33~~32) Ground Fault Circuit Interrupters (GFCI):

- a) Your apartment may be equipped with GFCI receptacles in the bathrooms and kitchen. These are special receptacles designed to protect you from electrical shocks. Short circuits may occur when you have a defective appliance or if you accidentally drop a device like a curling iron or hair dryer into a sink or bathtub filled with water. While you should never use any electrical appliance around water, this device may save your life if an accident occurs. The GFCI receptacle in your bathroom or kitchen will look similar to the drawing below.
- b) To test your GFCI, press in on the TEST button. Sometimes this is colored red. The RESET button should pop out. Next, push the RESET button back in. If it does not, call the work order desk at 598-6128 to request a repair. There is no charge for this repair.
- c) If you are using the receptacle and the power goes off, check the RESET button to see if it has popped out. If it has, unplug the appliance you are using and press the RESET button. If the RESET button stays in, replug the appliance and turn it on. If the appliance works, then you may have had a momentary power problem that caused the GFCI to trip. If the appliance does not work, after pressing the RESET, or if the GFCI trips again, notify the work order desk. **DO NOT USE THE RECEPTACLE OR APPLIANCE UNTIL IT HAS BEEN CHECKED BY THE MAINTENANCE DEPARTMENT.**



RESOLUTION NO. 2018-28

**ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY**

June 26, 2018

Staff recommends adoption of Resolution No. 2018-28, authorizing the CEO to approve and adopt the Public Housing Lease and Community Rules to be effective September 01, 2018.

Charles White, CHAIR

ATTEST:

SECRETARY

FOR CLERK USE ONLY

RESOLUTION NO. 2018-28

DATE ADOPTED: June 26, 2018



Action Items & Resolution

2018 - 29

ACOP

Board of Commissioners Meeting

Tuesday, June 26, 2018



Tuesday, June 26, 2018

**Housing Authority of the City of Spartanburg
Spartanburg, SC 29302**

HONORABLE MEMBERS IN SESSION:

SUBJECT:

**Approval of the SHA Admissions and Continued Occupancy Policy
Resolution 2018-29**

RECOMMENDATION:

Authorize the CEO to approve and adopt the updated SHA Admissions and Continued Occupancy Policy.

CONTACT PERSON:

Jessica M. Holcomb
Deputy Director of Asset Management and Special Projects
864-598-6023

SUMMARY:

The ACOP is the PHA's written statement of policies used to carry out the housing program in accordance with federal law and regulations, and HUD requirements. The ACOP is required by HUD and it must be available for public review [CFR 24 Part 903]. The ACOP also contains policies that support the objectives contained in the PHA's Agency Plan.

All issues related to public housing not addressed in this ACOP are governed by federal regulations, HUD handbooks and guidebooks, notices and applicable state and local laws. The policies in this ACOP have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding. The PHA is responsible for complying with all changes in HUD regulations pertaining to public housing. If such changes conflict with this plan, HUD regulations will have precedence.

FINANCIAL CONSIDERATIONS:

None

POLICY CONSIDERATIONS:

The PHA will revise this ACOP as needed to comply with changes in HUD regulations. The original policy and any changes must be approved by the board of commissioners of the PHA, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

Respectfully Submitted,

Jessica M. Holcomb, Deputy Director of Asset Management and Special Projects



ACOP Combined Document

Board of Commissioners Meeting
Tuesday, June 26, 2018

SPARTANBURG HOUSING AUTHORITY

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

FOR THE

PUBLIC HOUSING PROGRAM

Revision Date	
Chapter 2	7-23-2012
Chapter 14	7-23-2012
Chapter 4	11-19-2013
Chapters 1 – 16	03-01-2018

Approved by the SHA Board of Commissioners:

Submitted to HUD:

Table of Contents

Chapter 1

OVERVIEW OF THE PROGRAM AND PLAN

INTRODUCTION	1-1
--------------------	-----

PART I: THE SHA

I.A. OVERVIEW	1-1
I.B. ORGANIZATION AND STRUCTURE OF THE PHA.....	1-2
I.C. SHA MISSION	1-3
I.D. THE PHA'S COMMITMENT TO ETHICS AND SERVICE	1-4

PART II: THE PUBLIC HOUSING PROGRAM

II.A. OVERVIEW AND HISTORY OF THE PROGRAM	1-5
II.B. PUBLIC HOUSING PROGRAM BASICS.....	1-6
II.C. PUBLIC HOUSING PARTNERSHIPS	1-6
II.D. APPLICABLE REGULATIONS	1-10

PART III: THE ADMISSIONS AND CONTINUED OCCUPANCY POLICIES

III.A. OVERVIEW AND PURPOSE OF THE POLICY	1-11
III.B. CONTENTS OF THE POLICY	1-11
III.C. UPDATING AND REVISING THE POLICY	1-12

Table of Contents

Chapter 2 FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION	2-1
--------------------	-----

PART I: NONDISCRIMINATION

I.A. OVERVIEW	2-3
I.B. NONDISCRIMINATION	2-4

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

II.A. OVERVIEW	2-7
II.B. DEFINITION OF REASONABLE ACCOMMODATION	2-8
II.C. REQUEST FOR AN ACCOMMODATION	2-9
II.D. VERIFICATION OF DISABILITY	2-10
II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION	2-11
II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS	2-12
II.G. PHYSICAL ACCESSIBILITY	2-13
II.H. DENIAL OR TERMINATION OF ASSISTANCE	2-14

PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)

III.A. OVERVIEW	2-15
III.B. ORAL INTERPRETATION	2-16
III.C. WRITTEN TRANSLATION	2-16
III.D. IMPLEMENTATION PLAN	2-17

EXHIBITS

2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER FEDERAL CIVIL RIGHTS LAWS	2-19
--	------

Table of Contents

Chapter 3 ELIGIBILITY

INTRODUCTION	3-1
--------------------	-----

PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS

I.A. OVERVIEW	3-3
I.B. FAMILY AND HOUSEHOLD	3-3
I.C. FAMILY BREAK-UP AND REMAINING MEMBER OF TENANT FAMILY	3-4
I.D. HEAD OF HOUSEHOLD	3-5
I.E. SPOUSE, COHEAD, AND OTHER ADULT	3-5
I.F. DEPENDENT	3-6
I.G. FULL-TIME STUDENT	3-6
I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY	3-7
I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY	3-7
I.J. GUESTS	3-8
I.K. FOSTER CHILDREN AND FOSTER ADULTS	3-9
I.L. ABSENT FAMILY MEMBERS	3-10
I.M. LIVE-IN AIDE	3-12

PART II: BASIC ELIGIBILITY CRITERIA

II.A. INCOME ELIGIBILITY AND TARGETING	3-13
II.B. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS	3-15
II.C. SOCIAL SECURITY NUMBERS	3-17
II.D. FAMILY CONSENT TO RELEASE OF INFORMATION	3-18

PART III: DENIAL OF ADMISSION

III.A. OVERVIEW	3-19
III.B. REQUIRED DENIAL OF ADMISSION	3-19
III.C. OTHER PERMITTED REASONS FOR DENIAL OF ADMISSION	3-21
III.D. SCREENING	3-23
III.E. CRITERIA FOR DECIDING TO DENY ADMISSION	3-28
III.F. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND STALKING	3-31
III.G. NOTICE OF ELIGIBILITY OR DENIAL	3-35

Formatted: Highlight

EXHIBITS

3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES	3-37
---	------

Formatted: Highlight

Table of Contents

Chapter 4

APPLICATIONS, WAITING LIST AND TENANT SELECTION

INTRODUCTION	4-1
--------------------	-----

PART I: THE APPLICATION PROCESS

I.A. OVERVIEW	4-3
I.B. APPLYING FOR ASSISTANCE	4-3
I.C. ACCESSIBILITY OF THE APPLICATION PROCESS	4-4
I.D. PLACEMENT ON THE WAITING LIST	4-5

PART II: MANAGING THE WAITING LIST

II.A. OVERVIEW	4-7
II.B. ORGANIZATION OF THE WAITING LIST	4-7
II.C. OPENING AND CLOSING THE WAITING LIST	4-9
II.D. FAMILY OUTREACH	4-10
II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES	4-11
II.F. UPDATING THE WAITING LIST	4-12

PART III: TENANT SELECTION

III.A. OVERVIEW	4-15
III.B. SELECTION METHOD	4-16
III.C. NOTIFICATION OF SELECTION	4-21
III.D. THE APPLICATION INTERVIEW	4-22
III.E. FINAL ELIGIBILITY DETERMINATION	4-24

Chapter 5

OCCUPANCY STANDARDS AND UNIT OFFERS

INTRODUCTION	5-1
--------------------	-----

PART I: OCCUPANCY STANDARDS

I.A. OVERVIEW	5-1
I.B. DETERMINING UNIT SIZE	5-2
I.C. EXCEPTIONS TO OCCUPANCY STANDARDS	5-3

PART II: UNIT OFFERS

II.A. OVERVIEW	5-5
II.B. NUMBER OF OFFERS	5-5
II.C. TIME LIMIT FOR UNIT OFFER ACCEPTANCE OR REFUSAL	5-6
II.D. REFUSALS OF UNIT OFFERS	5-6
II.E. ACCESSIBLE UNITS	5-8
II.F. DESIGNATED HOUSING	5-8

Table of Contents

Chapter 6 INCOME AND RENT DETERMINATIONS

INTRODUCTION	6-1
--------------------	-----

PART I: ANNUAL INCOME

I.A. OVERVIEW	6-3
I.B. HOUSEHOLD COMPOSITION AND INCOME.....	6-4
I.C. ANTICIPATING ANNUAL INCOME.....	6-7
I.D. EARNED INCOME.....	6-9
I.E. EARNED INCOME DISALLOWANCE.....	6-13
I.F. BUSINESS INCOME	6-16
I.G. ASSETS	6-18
I.H. PERIODIC PAYMENTS	6-26
I.I. PAYMENTS IN LIEU OF EARNINGS	6-28
I.J. WELFARE ASSISTANCE.....	6-29
I.K. PERIODIC AND DETERMINABLE ALLOWANCES	6-30
I.L. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME	6-31

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Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

PART II: ADJUSTED INCOME

II.A. INTRODUCTION.....	6-33
II.B. DEPENDENT DEDUCTION	6-34
II.C. ELDERLY OR DISABLED FAMILY DEDUCTION.....	6-34
II.D. MEDICAL EXPENSES DEDUCTION	6-35
II.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION	6-37
II.F. CHILD CARE EXPENSE DEDUCTION.....	6-40
II.G. PERMISSIVE DEDUCTIONS	6-44

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Formatted: Highlight

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PART III: CALCULATING RENT

III.A. OVERVIEW OF INCOME-BASED RENT CALCULATIONS	6-45
III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT	6-48
III.C. UTILITY ALLOWANCES.....	6-53
III.D. PRORATED RENT FOR MIXED FAMILIES	6-54
III.E. FLAT RENTS AND FAMILY CHOICE IN RENTS	6-55

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EXHIBITS

6-1: ANNUAL INCOME INCLUSIONS	6-59
6-2: ANNUAL INCOME EXCLUSIONS.....	6-61
6-3: TREATMENT OF FAMILY ASSETS	6-65
6-4: EARNED INCOME DISALLOWANCE.....	6-67
6-5: THE EFFECT OF WELFARE BENEFIT REDUCTION	6-69

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Formatted: Highlight

Table of Contents

Chapter 7 VERIFICATION

INTRODUCTION	7-1
--------------------	-----

PART I: GENERAL VERIFICATION REQUIREMENTS

I.A. FAMILY CONSENT TO RELEASE OF INFORMATION	7-1
I.B. OVERVIEW OF VERIFICATION REQUIREMENTS	7-2
I.C. UP-FRONT INCOME VERIFICATION (UIV)	7-4
I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION	7-7
I.E. REVIEW OF DOCUMENTS	7-10
I.F. SELF-CERTIFICATION	7-10

Formatted: Highlight

PART II: VERIFYING FAMILY INFORMATION

II.A. VERIFICATION OF LEGAL IDENTITY	7-11
II.B. SOCIAL SECURITY NUMBERS	7-12
II.C. DOCUMENTATION OF AGE	7-13
II.D. FAMILY RELATIONSHIPS	7-14
II.E. VERIFICATION OF STUDENT STATUS	7-16
II.F. DOCUMENTATION OF DISABILITY	7-17
II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS	7-18
II.H. VERIFICATION OF PREFERENCE STATUS	7-20

Formatted: Highlight

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Formatted: Highlight

Formatted: Highlight

PART III: VERIFYING INCOME AND ASSETS

III.A. EARNED INCOME	7-21
III.B. BUSINESS AND SELF EMPLOYMENT INCOME	7-21
III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS	7-22
III.D. ALIMONY OR CHILD SUPPORT	7-23
III.E. ASSETS AND INCOME FROM ASSETS	7-24
III.F. NET INCOME FROM RENTAL PROPERTY	7-24
III.G. RETIREMENT ACCOUNTS	7-25
III.H. INCOME FROM EXCLUDED SOURCES	7-26
III.I. ZERO ANNUAL INCOME STATUS	7-26

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Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

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PART IV: VERIFYING MANDATORY DEDUCTIONS

IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS	7-27
IV.B. MEDICAL EXPENSE DEDUCTION	7-28
IV.C. DISABILITY ASSISTANCE EXPENSES	7-30
IV.D. CHILD CARE EXPENSES	7-32

Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

EXHIBITS

7-1: Excerpt from HUD Verification Guidance Notice	7-35
7-2: Summary of Documentation Requirements for Noncitizens	7-39

Formatted: Highlight

Table of Contents

Chapter 8

LEASING AND INSPECTIONS

INTRODUCTION	8-1
--------------------	-----

PART I: LEASING

I.A. OVERVIEW	8-1
I.B. LEASE ORIENTATION	8-2
I.C. EXECUTION OF LEASE.....	8-3
I.D. MODIFICATIONS TO THE LEASE	8-4
I.E. SECURITY DEPOSITS.....	8-6
I.F. PAYMENTS UNDER THE LEASE.....	8-7

PART II: INSPECTIONS

II.A. OVERVIEW	8-11
II.B. TYPES OF INSPECTIONS	8-11
II.C. NOTICE AND SCHEDULING OF INSPECTIONS	8-13
II.D. INSPECTION RESULTS	8-14

EXHIBITS

<u>8-1: SMOKE-FREE POLICY</u>	<u>8-17</u>
-------------------------------------	-------------

Table of Contents

Chapter 9 REEXAMINATIONS

INTRODUCTION	9-1
--------------------	-----

PART I: ANNUAL REEXAMINATIONS FOR FAMILIES PAYING INCOME BASED RENTS

I.A. OVERVIEW	9-3
I.B. <u>STREAMLINED ANNUAL REEXAMINATIONS</u>	<u>9-4</u>
I. B C. SCHEDULING ANNUAL REEXAMINATIONS	9- 3 4
I. C D. CONDUCTING ANNUAL REEXAMINATIONS	9- 5 4
I. D E. EFFECTIVE DATES	9- 7 4

Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

PART II: REEXAMINATIONS FOR FAMILIES PAYING FLAT RENTS

II.A. OVERVIEW	9-9
II.B. FULL REEXAMINATION OF FAMILY INCOME AND COMPOSITION	9-9
II.C. REEXAMINATION OF FAMILY COMPOSITION (“ANNUAL UPDATE”)	9-10

PART III: INTERIM REEXAMINATIONS

III.A. OVERVIEW	9-13
III.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION	9-13
III.C. CHANGES AFFECTING INCOME OR EXPENSES	9-15
III.D. PROCESSING THE INTERIM REEXAMINATION	9-17

PART IV: RECALCULATING TENANT RENT

IV.A. OVERVIEW	9-19
IV.B. CHANGES IN UTILITY ALLOWANCES	9-19
IV.C. NOTIFICATION OF NEW TENANT RENT	9-19
IV.D. DISCREPANCIES	9-20

Table of Contents

Chapter 10 PETS

INTRODUCTION	10-1
--------------------	------

PART I: ASSISTANCE ANIMALS

I.A. OVERVIEW	10-3
I.B. APPROVAL OF ASSISTANCE ANIMALS	10-4
I.C. CARE AND HANDLING.....	10-5

PART II: PET POLICIES FOR ALL DEVELOPMENTS

II.A. OVERVIEW	10-7
II.B. MANAGEMENT APPROVAL OF PETS	10-7
II.C. STANDARDS FOR PETS	10-9
II.D. PET RULES	10-11

PART III: PET DEPOSITS AND FEES IN ELDERLY/DISABLED DEVELOPMENTS

III.A. OVERVIEW	10-17
III.B. PET DEPOSITS	10-17
III.C. OTHER CHARGES	10-18

PART IV: PET DEPOSITS AND FEES IN GENERAL OCCUPANCY DEVELOPMENTS

IV.A. OVERVIEW	10-19
IV.B. PET DEPOSITS	10-19
IV.C. NON-REFUNDABLE NOMINAL PET FEE	10-20
IV.D. OTHER CHARGES	10-21

Table of Contents

Chapter 11 COMMUNITY SERVICE

INTRODUCTION	11-1
--------------------	------

PART I: COMMUNITY SERVICE REQUIREMENT

I.A. OVERVIEW	11-1
I.B. REQUIREMENTS	11-2
I.C. DETERMINATION OF EXEMPTION STATUS AND COMPLIANCE	11-6
I.D. DOCUMENTATION AND VERIFICATION	11-8
I.E. NONCOMPLIANCE	11-9

Formatted: Highlight

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PART II: IMPLEMENTATION OF COMMUNITY SERVICE

II.A. OVERVIEW	11-11
----------------------	-------

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EXHIBITS

11-1: COMMUNITY SERVICE AND SELF-SUFFICIENCY POLICY	11-13
11-2: DEFINITION OF A PERSON WITH A DISABILITY UNDER SOCIAL SECURITY ACTS 216(i)(1) and Section 1416(excerpt) FOR PURPOSES OF EXEMPTION FROM COMMUNITY SERVICE.....	11-19
11-3: PHA DETERMINATION OF EXEMPTION FOR COMMUNITY SERVICE.....	11-21
<u>11-4 CSSR WORK-OUT AGREEMENT</u>	<u>11-29</u>

Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

Table of Contents

Chapter 12 TRANSFER POLICY

INTRODUCTION	12-1	
PART I: EMERGENCY TRANSFERS		
I.A. OVERVIEW	12-1	
I.B. EMERGENCY TRANSFERS.....	12-2	
I.C. EMERGENCY TRANSFER PROCEDURES	12-2	
I.D. COSTS OF TRANSFER	12-2	Formatted: Highlight
PART II: PHA REQUIRED TRANSFERS		
II.A. OVERVIEW	12-3	Formatted: Highlight
II.B. TYPES OF PHA REQUIRED TRANSFERS	12-3	Formatted: Highlight
II.C. ADVERSE ACTION	12-6	Formatted: Highlight
II.D. COST OF TRANSFER	12-6	Formatted: Highlight
PART III: TRANSFERS REQUESTED BY TENANTS		
III.A. OVERVIEW	12-7	Formatted: Highlight
III.B. TYPES OF RESIDENT REQUESTED TRANSFERS	12-7	Formatted: Highlight
III.C. ELIGIBILITY FOR TRANSFER	12-8	Formatted: Highlight
III.D. SECURITY DEPOSITS.....	12-9	Formatted: Highlight
III.E. COST OF TRANSFER	12-9	Formatted: Highlight
III.F. HANDLING OF REQUESTS.....	12-10	Formatted: Highlight
PART IV: TRANSFER PROCESSING		
IV.A. OVERVIEW	12-11	Formatted: Highlight
IV.B. TRANSFER LIST	12-11	Formatted: Highlight
IV.C. TRANSFER OFFER POLICY	12-12	Formatted: Highlight
IV.D. GOOD CAUSE FOR UNIT REFUSAL.....	12-12	Formatted: Highlight
IV.E. DECONCENTRATION.....	12-13	Formatted: Highlight
IV.F. REEXAMINATION POLICIES FOR TRANSFERS	12-13	Formatted: Highlight

Table of Contents

Chapter 13 LEASE TERMINATIONS

INTRODUCTION	13-1
--------------------	------

PART I: TERMINATION BY TENANT

I.A. TENANT CHOOSES TO TERMINATE THE LEASE	13-3
--	------

PART II: TERMINATION BY PHA – MANDATORY

II.A. OVERVIEW	13-5
II.B. FAILURE TO PROVIDE CONSENT	13-5
II.C. FAILURE TO DOCUMENT CITIZENSHIP.....	13-5
II.D. FAILURE TO PROVIDE SOCIAL SECURITY DOCUMENTATION.....	13-5
II.E. FAILURE TO ACCEPT THE PHA'S OFFER OF A LEASE REVISION	13-6
II.F. METHAMPHETAMINE CONVICTION.....	13-6
<u>II.G. LIFETIME REGISTERED SEX OFFENDERS.....</u>	<u>13-7</u>

Formatted: Highlight

II. GH . NONCOMPLIANCE WITH COMMUNITY SERVICE REQUIREMENTS	13-6
<u>II.I. DEATH OF A SOLE FAMILY MEMBER</u>	<u>13-7</u>

Formatted: Highlight

PART III: TERMINATION BY PHA – OTHER AUTHORIZED REASONS

III.A. OVERVIEW	13-7
III.B. MANDATORY LEASE PROVISIONS	13-8
III.C. OTHER AUTHORIZED REASONS FOR TERMINATION	13-14
III.D. ALTERNATIVES TO TERMINATION OF TENANCY	13-16
III.E. CRITERIA FOR DECIDING TO TERMINATE TENANCY	13-17
III.F. PROHIBITION AGAINST TERMINATING TENANCY OF VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND STALKING	13-20

Formatted: Highlight

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Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

PART IV: NOTIFICATION REQUIREMENTS, EVICTION PROCEDURES AND RECORD KEEPING

IV.A. OVERVIEW	13-27
IV.B. CONDUCTING CRIMINAL RECORDS CHECKS	13-27
IV.C. DISCLOSURE OF CRIMINAL RECORDS TO FAMILY	13-28
IV.D. LEASE TERMINATION NOTICE	13-29
IV.E. EVICTION.....	13-31
IV.F. NOTIFICATION TO POST OFFICE	13-32
IV.G. RECORD KEEPING.....	13-32

Table of Contents

Chapter 14 GRIEVANCES AND APPEALS

INTRODUCTION	14-1
--------------------	------

PART I: INFORMAL HEARINGS FOR PUBLIC HOUSING APPLICANTS

I.A. OVERVIEW	14-1
I.B. INFORMAL HEARING PROCESS	14-2

PART II: INFORMAL HEARINGS WITH REGARD TO NONCITIZENS

II.A. HEARING AND APPEAL PROVISIONS FOR NONCITIZENS.....	14-5
--	------

PART III: GRIEVANCE PROCEDURES FOR PUBLIC HOUSING RESIDENTS

III.A. REQUIREMENTS	14-9
III.B. DEFINITIONS.....	14-10
III.C. APPLICABILITY	14-11
III.D. INFORMAL SETTLEMENT OF GRIEVANCE.....	14-12
III.E. PROCEDURES TO OBTAIN A HEARING	14-13
III.F. SELECTION OF HEARING OFFICER/PANEL	14-15
III.G. PROCEDURES GOVERNING THE HEARING	14-16
III.H. DECISION OF THE HEARING OFFICER/PANEL.....	14-20

Chapter 15 PROGRAM INTEGRITY

INTRODUCTION	15-1
--------------------	------

PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE

I.A. PREVENTING ERRORS AND PROGRAM ABUSE.....	15-3
I.B. DETECTING ERRORS AND PROGRAM ABUSE	15-4
I.C. INVESTIGATING ERRORS AND PROGRAM ABUSE.....	15-5

PART II: CORRECTIVE MEASURES AND PENALTIES

II.A. UNDER- OR OVERPAYMENT	15-7
II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE	15-8
II.C. PHA-CAUSED ERRORS OR PROGRAM ABUSE.....	15-10
II.D. CRIMINAL PROSECUTION	15-11
II.E. FRAUD AND PROGRAM ABUSE RECOVERIES	15-12

Table of Contents

Chapter 16 PROGRAM ADMINISTRATION

INTRODUCTION	16-1
--------------------	------

PART I: SETTING UTILITY ALLOWANCES

I.A. OVERVIEW	16-3
I.B. UTILITY ALLOWANCES.....	16-3
I.C. SURCHARGES FOR PHA-FURNISHED UTILITIES	16-5
I.D. NOTICE REQUIREMENTS.....	16-5
I.E. REASONABLE ACCOMMODATION.....	16-6

PART II: ESTABLISHING FLAT RENTS AND PUBLIC HOUSING MAXIMUM RENTS

II.A. OVERVIEW	16-7
II.B. FLAT RENTS	16-7
II.C. PUBLIC HOUSING MAXIMUM RENTS	16-9

PART III: FAMILY DEBTS TO THE PHA

III.A. OVERVIEW	16-11
III.B. REPAYMENT POLICY	16-12

PART IV: PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)

IV.A. OVERVIEW	16-15
IV.B. PHAS INDICATORS	16-15
IV.C. PHAS SCORING	16-17

PART V: RECORD KEEPING

V.A. OVERVIEW	16-19
V.B. RECORD RETENTION	16-19
V.C. RECORDS MANAGEMENT	16-20

PART VI: REPORTING REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL

VI.A. REPORTING REQUIREMENTS.....	16-23
-----------------------------------	-------

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Formatted: Highlight

Formatted: Highlight

Formatted: Highlight

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Table of Contents

PART VII: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, AND CONFIDENTIALITY **PART VII: NOTIFICATION TO APPLICANTS AND TENANTS** **REGARDING PROTECTIONS UNDER THE VIOLENCE AGAINST WOMEN REAUTHORIZATION ACT OF 2005 (VAWA)**

VII.A. OVERVIEW 16-23

<u>VII.B. DEFINITIONS.....</u>	<u>16-23</u>
<u>VII.C. NOTIFICATION.....</u>	<u>16-24</u>
<u>VII.D. DOCUMENTATION.....</u>	<u>16-26</u>
<u>VII.E. CONFIDENTIALITY.....</u>	<u>16-28</u>
<u>VII.A. OVERVIEW.....</u>	<u>16-25</u>
<u>VII.B. VAWA NOTIFICATION.....</u>	<u>16-25</u>
<u>VII.C. NOTIFICATION TO APPLICANTS.....</u>	<u>16-26</u>
<u>VII.D. NOTIFICATION TO TENANTS.....</u>	<u>16-26</u>

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EXHIBITS

<u>16-1: SAMPLE NOTICE OF OCCUPANCY RIGHTS UNDER THE VIOLENCE AGAINST WOMEN ACT, FORM HUD-5380.....</u>	<u>16-29</u>
<u>16-2: CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING AND ALTERNATE DOCUMENTATION, FORM HUD-5382.....</u>	<u>16-37</u>
<u>16-3 NMA EMERGENCY TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING.....</u>	<u>16-39</u>
<u>16-4 EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, FORM HUD-5383.....</u>	<u>16-45</u>

Glossary

EXHIBITS

<u>16-1: SAMPLE NOTICE TO PUBLIC HOUSING APPLICANTS AND RESIDENTS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA).....</u>	<u>16-27</u>
---	---------------------

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Chapter 2

FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and procedures. The responsibility to further nondiscrimination pertains to all areas of the PHA's public housing operations.

This chapter describes HUD regulations and SHA-PHA policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of the PHA regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the public housing program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of the PHA to ensure meaningful access to the public housing program and its activities by persons with limited English proficiency (LEP). This part incorporates HUD's Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Persons, published January 22, 2007 in the *Federal Register* ("Notice of Guidance").

Part IV: Assistance Animals. This part explains the difference between assistance animals and pets and contains policies related to the designation of an assistance animal as well as their care and handling.

PART I: NONDISCRIMINATION

2-I.A. OVERVIEW

Federal laws require SHA-PHA to treat all applicants and tenant families equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. The SHA-PHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012 and further clarified in Notice PIH 2014-20
- Violence Against Women Reauthorization Act of 2005-2013 (VAWA)
- Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted

When more than one civil rights law applies to a situation, the laws will be read and applied together.

SHA Policy

No state or local nondiscrimination laws or ordinances apply.

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2-I.B. NONDISCRIMINATION

Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as PHA policies, can prohibit discrimination against additional classes of people.

The PHA shall not discriminate because of race, color, sex, religion, familial status, age, disability or national origin (called “protected classes”).

Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

The ~~SPHA~~ will not discriminate on the basis of marital status, gender identity, or sexual orientation [FR Notice 02/03/12].

SHA Policy

The SHA shall not discriminate because of race, color, sex, religion, familial status, age, disability, national origin or any other legally protected status under Federal or State law.

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The ~~SHA-PHA~~ will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the public housing program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or tenant toward or away from a particular area based on any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

Providing Information to Families

The ~~SHA-PHA~~ must take steps to ensure that families are fully aware of all applicable civil rights laws. As part of the public housing orientation process, the ~~SHA-PHA~~ will provide information to public housing applicant families about civil rights requirements.

Discrimination Complaints

If an applicant or tenant family believes that any family member has been discriminated against by the ~~SHAPHA~~, the family should advise the ~~SHAPHA~~. HUD requires the ~~SHA-PHA~~ to make every reasonable attempt to determine whether the applicant's or tenant family's assertions have merit and take any warranted corrective action.

In all cases, the PHA may advise the family to file a fair housing complaint if the family feels they have been discriminated against under the Fair Housing Act.

Upon receipt of a housing discrimination complaint, the PHA is required to:

- Provide written notice of the complaint to those alleged and inform the complainant that such notice was made
- Investigate the allegations and provide the complainant and those alleged with findings and either a proposed corrective action or an explanation of why corrective action is not warranted
- Keep records of all complaints, investigations, notices, and corrective actions
[Notice PIH 2014-20]

SHA Policy

Applicants or tenant families who believe that they have been subject to unlawful discrimination may notify the SHA either orally or in writing.

Within 10 business days of receiving the complaint, the SHA will provide a written notice to those alleged to have violated the rule. The SHA will also send a written notice to the complainant informing them that notice was sent to those alleged to have violated the rule, as well as information on how to complete and submit a housing discrimination complaint form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

The SHA will attempt to remedy discrimination complaints made against the PHA and will conduct an investigation into all allegations of discrimination.

Within 10 business days following the conclusion of the SHA's investigation, the SHA will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.

The SHA will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)

The SHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2-II.A. OVERVIEW

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

The ~~SHA-PHA~~ must ensure that persons with disabilities have full access to the ~~SHA's-PHA's~~ programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the public housing program [24 CFR 8].

The ~~SHA-PHA~~ must provide a notice to each tenant that the tenant may, at any time during the tenancy, request reasonable accommodation of a handicap of a household member, including reasonable accommodation so that the tenant can meet lease requirements or other requirements of tenancy [24 CFR 966.7(b)].

SHA Policy

The ~~PHA-SHA~~ will ask all applicants and resident families if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the SHA, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority.”

A specific name and phone number will be indicated as the contact for requests for accommodation for persons with disabilities.

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

A “reasonable accommodation” is a change, exception, or adjustment to a policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since policies and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA, or result in a “fundamental alteration” in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider’s operations.

Types of Reasonable Accommodations

When it is reasonable (see definition above and Section 2-II.E), the PHA shall accommodate the needs of a person with disabilities. Examples include but are not limited to:

- Permitting applications and reexaminations to be completed by mail
- Conducting home visits
- Providing “large-print” forms
- Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability
- Modifying or altering a unit or physical system if such a modification or alteration is necessary to provide equal access to a person with a disability
- Installing a ramp into a dwelling or building
- Installing grab bars in a bathroom
- Installing visual fire alarms for ~~hearing-impaired~~deaf persons
- Allowing a PHA-approved live-in aide to reside in the unit if that person is determined to be essential to the care of a person with disabilities, is not obligated for the support of the person with disabilities, and would not be otherwise living in the unit.
- Providing a designated handicapped-accessible parking space
- Allowing an assistance animal
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff
- Displaying posters and other housing information in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair

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2-II.C. REQUEST FOR AN ACCOMMODATION

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that the ~~SHA-PHA~~ treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the disability full access to the ~~SHA's-PHA's~~ programs and services.

If the need for the accommodation is not readily apparent or known to the ~~SHAPHA~~, the family must explain the relationship between the requested accommodation and the disability.

SHA Policy

The SHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the SHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

2-II.D. VERIFICATION OF DISABILITY

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, the ~~SHA-PHA~~ must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the PHA's programs and services.

If a person's disability is obvious or otherwise known to the PHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16 (Program Administration). In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]
- The PHA must request only information that is necessary to evaluate the disability-related need for the accommodation. The PHA may not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.
- In the event that the PHA does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, the PHA will dispose of it. In place of the information, the PHA will note in the file that the disability and other requested information have been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information [Notice PIH 2010-26].

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2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

The PHA must approve a request for an accommodation if the following three conditions are met.

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the PHA, or fundamentally alter the nature of the PHA's operations.

Requests for accommodations must be assessed on a case-by-case basis. The determination of undue financial and administrative burden must be made on a case-by-case basis involving various factors, such as such as the overall size of the PHA's program with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and the cost of the requested accommodation, the financial resources of the PHA at the time of the request, the benefits that the accommodation would provide to the family, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, the PHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the PHA may verify the need for the requested accommodation.

PHA-SHA Policy

After a request for an accommodation is presented, the **PHA-SHA** will respond, in writing, within 10 business days.

If the **PHASHA** denies a request for an accommodation because there is no relationship, or nexus, found between the disability and the requested accommodation, the notice will inform the family of the right to appeal the PHA's decision through an informal hearing (if applicable) or the grievance process (see Chapter 14).

If the **PHA-SHA** denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of the **PHA's-SHA's** operations), the **PHA-SHA** will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the public housing program and without imposing an undue financial and administrative burden.

If the **PHA-SHA** believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the **PHA-SHA** will notify the family, in writing, of its determination within 10 business days from the date of the most recent discussion or communication with the family. The notice will inform the family of the right to appeal the **PHA's-SHA's** decision through an informal hearing (if applicable) or the grievance process (see Chapter 14).

2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

HUD regulations require the PHA to take reasonable steps to ensure that persons with disabilities related to hearing and vision have reasonable access to the PHA's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, the PHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

PHA-SHA Policy

To meet the needs of deaf persons ~~with hearing impairments~~, TTD/TTY (1.800.735.8583) communication will be available.

To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with PHA-SHA staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

2-II.G. PHYSICAL ACCESSIBILITY

The PHA must comply with a variety of regulations pertaining to physical accessibility, including the following.

- [Notice PIH 2010-26](#)
- ~~PIH 2002-01 (HA), Accessibility Notice~~
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

The PHA's policies concerning physical accessibility must be readily available to applicants and resident families. They can be found in three key documents.

- This policy, the Admissions and Continued Occupancy Policy, describes the key policies that govern the PHA's responsibilities with regard to physical accessibility.
- Notice PIH ~~2002~~[2010-0126](#)~~(HA) Accessibility Notice (which must be posted in the public housing offices in a conspicuous place)~~ summarizes information about pertinent laws and implementing regulations related to non-discrimination and accessibility in federally-funded housing programs.
- The PHA Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of PHA facilities must conform to the Uniform Federal Accessibility Standards (UFAS). [Notice PIH 2010-26 contains specific information on calculating the percentages of units for meeting UFAS requirements.](#)

Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the public housing program.

2-II.H. DENIAL OR TERMINATION OF ASSISTANCE

A PHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 966.7].

When applicants with disabilities are denied assistance, the notice of denial must inform them of their right to request an informal hearing [24 CFR 960.208(a)].

When a family's lease is terminated, the notice of termination must inform the family of their right to request a hearing in accordance with the PHA's grievance process [24 CFR 966.4(l)(3)(ii)].

When reviewing reasonable accommodation requests, the PHA must consider whether reasonable accommodation will allow the family to overcome the problem that led to the PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the PHA must make the accommodation [24 CFR 966.7].

In addition, the PHA must provide reasonable accommodation for persons with disabilities to participate in the hearing process [24 CFR 966.56(h)].

PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)

2-III.A. OVERVIEW

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the public housing program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Persons, published January 22, 2007 in the *Federal Register*.

The [SHA-PHA](#) will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP persons are defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this Admissions and Continued Occupancy Policy, LEP persons are public housing applicants and resident families, and parents and family members of applicants and resident families.

In order to determine the level of access needed by LEP persons, the PHA will balance the following four factors: (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the public housing program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the [SHA-PHA](#) and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the [SHAPHA](#).

2-III.B. ORAL INTERPRETATION

In a courtroom, a hearing, or situations in which health, safety, or access to important benefits and services are at stake, the [SHA-PHA](#) will generally offer, or ensure that the family is offered through other sources, competent interpretation services free of charge to the LEP person.

SHA Policy

The SHA will utilize a language line for telephone interpreter services or an online interpreting system.

The SHA will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. “Reasonable steps” may not be reasonable where the costs imposed substantially exceed the benefits.

Where feasible, the SHA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents. Where feasible and possible, the SHA will encourage the use of qualified community volunteers.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the SHA. The interpreter may be a family member or friend.

2-III.C. WRITTEN TRANSLATION

Translation is the replacement of a written text from one language into an equivalent written text in another language.

SHA Policy

In order to comply with written-translation obligations, the SHA will take the following steps:

The SHA will provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, the SHA may not translate vital written materials, but will provide written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

In addition, the SHA’s website is able to be translated to more than 100 languages. The newly implemented online portals for applicants and residents can be translated into Spanish and Russian. Additional languages may be added upon the need as outlined above.

2-III.D. IMPLEMENTATION PLAN

After completing the four-factor analysis and deciding what language assistance services are appropriate, the ~~SHA-PHA~~ shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If the ~~SHA-PHA~~ determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the underlying obligation to ensure meaningful access by LEP persons to the ~~SHA's-PHA's~~ public housing program and services.

SHA Policy

If it is determined that the SHA serves very few LEP persons, and the SHA has very limited resources, the SHA will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants will be contacted for input into the process.

If the SHA determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) Identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) monitoring and updating the LEP plan.

EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER FEDERAL CIVIL RIGHTS LAWS [24 CFR Parts 8.3 and 100.201]

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or 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~~deafness, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

“Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major live-life activities.

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the public housing program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this definition of disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the \$400 elderly/disabled household deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the public housing program, yet an accommodation is needed to provide equal opportunity.

PART IV: ASSISTANCE ANIMALS

[Section 504; Fair Housing Act (42 U.S.C.); 24 CFR 5.303; 24 CFR 960.705]

2-IV.A. OVERVIEW

This part discusses situations under which permission for an assistance animal may be denied, and also establishes standards for the care of assistance animals.

Assistance animals are animals that assist, support, or provide service to a person with a disability, or that provide emotional support that alleviates one or more identified symptoms or effects of a person's disability. Assistance animals – often referred to as “service animals,” “assistive animals,” “support animals,” or “therapy animals” – perform many disability-related functions, including but not limited to the following:

- Guiding individuals who are blind or have low vision
- Alerting individuals who are deaf or ~~hearing-impaired~~hard of hearing
- Providing minimal protection or rescue assistance
- Pulling a wheelchair
- Fetching items
- Alerting persons to impending seizures
- Providing emotional support to persons with disabilities who have a disability-related need for such support

Assistance animals that are needed as a reasonable accommodation for persons with disabilities are not considered pets, and thus, are not subject to the [SPHA](#)'s pet policies described in Parts II through IV of this chapter [24 CFR 5.303; 960.705].

2-IV.B. APPROVAL OF ASSISTANCE ANIMALS

A person with a disability is not automatically entitled to have an assistance animal. Reasonable accommodation requires that there is a relationship between the person's disability and his or her need for the animal [PH Occ GB, p. 179].

SHA-PHA may not refuse to allow a person with a disability to have an assistance animal merely because the animal does not have formal training. Some, but not all, animals that assist persons with disabilities are professionally trained. Other assistance animals are trained by the owners themselves and, in some cases, no special training is required. The question is whether or not the animal performs the assistance or provides the benefit needed by the person with the disability [PH Occ GB, p. 178].

SHA's-PHA's refusal to permit persons with a disability to use and live with an assistance animal that is needed to assist them, would violate Section 504 of the Rehabilitation Act and the Fair Housing Act unless [PH Occ GB, p. 179]:

- There is reliable objective evidence that the animal poses a direct threat to the health or safety of others that cannot be reduced or eliminated by a reasonable accommodation
- There is reliable objective evidence that the animal would cause substantial physical damage to the property of others

PHAs have the authority to regulate assistance animals under applicable federal, state, and local law [24 CFR 5.303(b)(3); 960.705(b)(3)].

SHA Policy

For an animal to be excluded from the pet policy and be considered an assistance animal, there must be a person with disabilities in the household, and the family must request and the SHA approve a reasonable accommodation in accordance with the policies contained in Chapter 2.

REGISTRATION

All animals must be registered with the property PRIOR to coming to the premises. Regardless of their initial registration date, all animals will be registered in conjunction with the Tenant(s) annual income recertification. The following documents must be kept in the Tenant's file:

- a. A certification of inoculation for rabies, and any other disease as appropriate for the animal and breed that is signed by a State or local authority or licensed Veterinarian.
- b. Proof of spaying or neutering
- c. Veterinarian name, address, and phone number
- d. A certificate of compliance with all State and/or local licensing or permit requirements for the animal where applicable
- e. The name, address and phone number of one or more responsible parties who will care for the animal if the Tenant(s) dies, is/are incapacitated, or is/are otherwise unable to care for the animal.

RESTRICTIONS

All Assistance animal owner(s) and/or prospective assistance animal owners will be required to adhere to the following policies:

- Animals will be exercised only in the authorized areas.
- Assistance Animal Owner(s) are required to assure clean up after their animals at all times. This includes, but is not limited to, cleanup of the apartment, and clean up of the designated exercise and common area(s). Owners of assistance animals using litter boxes are required to have assistance animal waste removed from litter boxes and disposed of in the prescribed methods for disposal of animal waste, but not less frequently than twice a week (bagged, sealed and placed in the trash dumpster).
- Unattended animals will not be allowed outside the apartment at any time. The Owner(s) must have their animal under physical control (on a leash, not to exceed 3' in length, caged or physically held) during all times that the animal is outside the apartment.
- Dogs may not be left unattended in an apartment for more than a 12 hour period, and other animals may not be left unattended in an apartment for more than a 24 hour period. Dogs and cats will be required to be boarded off the premises when assistance animal owner (s) is/are absent for an extended period of time.
- Animals may be attended to by other individuals only when prior written approval has been given by Management. Management will not accept responsibility for providing access to the animal owner's apartment for this purpose.

2-IV.C. CARE AND HANDLING

Residents must ensure care and handling for assistance animals in a manner that complies with state and local laws, including anti-cruelty laws, and the following policies:

- Dogs found unattended in excess of the 12 hour period or other animals in excess of the 24 hour period will be removed from the premises to either the documented alternative guardian listed in the animal's registration or, at the owner(s) expense, a local boarding facility if the alternative guardian cannot assume immediate responsibility for the animal.
- Animals are not permitted to be "penned" or "caged" on balconies or patios (if applicable) during the night or while the owner (s) is/are away from the apartment.
- No screening, fencing, etc., may be added to any balcony/patio area. Animals may not be leashed or tied to any interior or exterior building fixture at any time.
- Animals must be restrained from making noise that would disturb other Tenants. Barking and/or whining dogs and crying or howling cats will not be considered acceptable.

- No animal that bites, attacks or demonstrates other aggressive behavior towards humans may be kept on the premises.
- Residents must ensure that assistance animals do not pose a direct threat to the health or safety of others, or cause substantial physical damage to the development, dwelling unit, or property of other Tenants. Should an animal become a nuisance or threat to the health or safety to other persons, Management may require the animal to be removed from the premises. The [SHA-PHA](#) will take all necessary steps to protect its staff and Tenants from animals that become vicious, display symptoms of severe illness, or demonstrate other aggressive behavior that constitutes a threat to the health or safety of others. In this case, the appropriate local or State entity will be contacted to remove such animals. If an animal is removed as a result of an aggressive act on the part of the animal, the animal will NOT be allowed back on the premises.

2-IV.D. TENANT'S LEGAL AND FINANCIAL RESPONSIBILITY

As the owner(s) of on animal on these premises the tenant has the following legal and financial duties:

Tenant agrees to indemnify, defend, and hold Owner/Agent harmless from and against any and all claims, actions, suits, judgments, and demands brought by any other party on account of or in connection with any activity or damage caused by the Tenant's animal. Tenant will reimburse landlord for any damage to the unit over and above normal wear and tear caused by or resulting from the animal, including replacement of the pad and carpeting, if necessary, and where applicable.

2-IV.E. COMMUNITY POLICIES

All Service Animal Owners are required to comply with all APPLICABLE policies as stated by the property's community policies, except where specific reasonable accommodations are made by management after due process. This includes, but is not limited to, sections concerning noise, garbage, alteration, and breakage. Owners are at all times expected to have due regard for the peace, comfort, and quiet enjoyment of the other Tenants.

2-IV.F. ASSISTANCE ANIMAL POLICY VIOLATIONS

If Management determines that the owner(s) has violated a policy, a written notice will be issued to the owner(s). The notice will provide the owner(s) with a reasonable time frame, in all cases, not to exceed 10 calendar days to correct the violation or request a meeting with Management to discuss the alleged Assistance Animal Policy Violation. Failure to comply with the notice will RESULT in initiation of procedures to remove the animal and/or terminate the owner(s) residency. When a resident's care or handling of an assistance animal violates these policies, The [Spartanburg Public Housing Authority](#) will consider whether the violation could be reduced or eliminated by a reasonable accommodation. If ~~The the~~ [Spartanburg Public](#) Housing Authority determines that no such accommodation can be made, the [Spartanburg Public](#) Housing Authority may withdraw the approval of a particular assistance animal. Two or more violations of the assistance animal rules or failure to comply with these policies may/will result in efforts by management to terminate the owner(s) tenancy.

2-IV.G. COURTESY

The Management recognizes that animals can be therapeutic for those who enjoy, own, and care for them. However, animals can be threatening to others who, for whatever reason, are fearful or allergic to animals. Please exercise common courtesy to Tenants and staff in dealing with your animal.

2-IV.H. INSPECTIONS

Management is given permission to enter the owner(s) apartment for the purposes of inspection if a signed written complaint is received by Management, or if management feels the conduct or condition of the animal owner(s) warrants same. Inspections will be made during reasonable hours after proper notice has been given to owner(s). If management has come to believe that an emergency exists, entry can be immediate. Notice is given to owner(s) after such entry.

2-IV.I. MAINTENANCE

Maintenance personnel will not enter any apartment ~~of an unless~~ Residents ~~must~~ ensure care for assistance animals in a manner that complies with state and local laws, including anti-cruelty laws, and the following policies: owner(s) to perform maintenance repairs unless the owner(s) or other Tenant is/are present and places the animal under control while maintenance personnel are in the apartment.

2-IV.J. POLICY CHANGES

Management reserves the right to alter or amend any of the above stated policies in the event of an ~~Assistive-Assistant~~ Animal Policy change. Management will provide thirty (30) days notice to all Tenants of the proposed change(s).

Chapter 3

ELIGIBILITY

INTRODUCTION

The ~~SHA-PHA~~ is responsible for ensuring that every individual and family admitted to the public housing program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the ~~SHA-PHA~~ to confirm eligibility of all household members and determine the level of the family's assistance.

To be eligible for the public housing program:

- The applicant family must:
 - Qualify as a family as defined by HUD and the ~~SHAPHA~~.
 - Have income at or below HUD-specified income limits.
 - Qualify on the basis of citizenship or the eligible immigrant status of family members.
 - Provide social security number information for family members as required.
 - Consent to the ~~SHA's-PHA's~~ collection and use of family information as provided ~~for~~-in ~~SHAPHA~~-provided consent forms.
- The ~~SHA-PHA~~ must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the ~~SHAPHA~~.

This chapter contains three parts:

Part I: Definitions of Family and Household Members. This part contains HUD and ~~SHA-PHA~~ definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

Part II: Basic Eligibility Criteria. This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

Part III: Denial of Admission. This part covers factors related to an applicant's past or current conduct (e.g. criminal activity) that can cause the ~~SHA-PHA~~ to deny admission.

PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS

3-I.A. OVERVIEW

Some eligibility criteria and program rules vary depending upon the composition of the family requesting assistance. In addition, some requirements apply to the family as a whole and others apply to individual persons who will live in the public housing unit. This part provides information that is needed to correctly identify family and household members, and to apply HUD's eligibility rules.

3-I.B. FAMILY AND HOUSEHOLD [24 CFR 5.105(a)(2), 24 CFR 5.403, FR Notice 02/03/12, and Notice PIH 2014-20][24 CFR 5.403 and HUD-50058-IB, p. 13]

The terms *family* and *household* have different meanings in the public housing program.

Family

To be eligible for admission, an applicant must qualify as a family. ~~A family may be a single person or a group of persons. Family as defined by HUD includes a family with a child or children, two or more elderly or disabled persons living together, one or more elderly or disabled persons living with one or more live-in aides, or a single person. Family as defined by HUD, includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, disabled person, near-elderly person, or any other single person; or a group of persons residing together. Such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, or the remaining member of a tenant family.~~ The SHA-PHA has the discretion to determine if any other group of persons qualifies as a family.

Gender Identity means actual or perceived gender characteristics.

Sexual orientation means homosexuality, heterosexuality, or bisexuality.

SHA Policy

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law, but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.

The term "Family" also includes, but is not limited to:

- A family with or without children
- An elderly family
- A disabled family
- A displaced family
- The remaining eligible member of a resident family
- A single person
- Two or more elderly or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides

- Two or more near-elderly persons living together or one or more near-elderly persons living with one or more live-in aides.

Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

Household

Household is a broader term that includes additional people who, with the ~~SHA's~~ PHA's permission, live in a public housing unit, such as live-in aides, foster children, and foster adults.

3-I.C. FAMILY BREAK-UP AND REMAINING MEMBER OF TENANT FAMILY

Family Break-up

Except under the following conditions, the PHA has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:

- If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, or stalking, the PHA must ensure that the victim retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, and stalking, see section 16-VII.D of this plan.)
- If a court determines the disposition of property between members of the assisted family, the PHA is bound by the court's determination of which family members continue to receive assistance.

SHA Policy

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while living in public housing, only one of the new families will continue to be assisted.

If a court determines the disposition of property between members of the applicant or resident family in a divorce or separation decree, the SHA will abide by the court's determination.

In the absence of a judicial decision or an agreement among the original family members, the SHA will determine which family retains their placement on the waiting list, or will continue in occupancy taking into consideration the following factors: (1) the interest of any minor children, including custody arrangements, (2) the interest of any ill, elderly, or disabled family members, (3) the interest of any family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, including a family member who was forced to leave a public housing unit as a result of such actual or threatened abuse, and provides documentation in accordance with section 16-VII.D of this ACOP; (4) any possible risks to family members as a result of criminal activity, and ~~(3) any possible risks to family members as a result of domestic violence or criminal activity, and~~ (4) the recommendations of social service professionals.

Remaining Member of a Tenant Family [24 CFR 5.403]

The HUD definition of family includes the *remaining member of a tenant family*, which is a member of a resident family who remains in the unit when other members of the family have left the unit [PH Occ GB, p. 26]. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

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If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see Chapter 6, Section 6-I.B, for the policy on “Caretakers for a Child.”

3-I.D. HEAD OF HOUSEHOLD [24 CFR 5.504(b)]

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a cohead or spouse.

SHA Policy

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

3-I.E. SPOUSE, COHEAD, AND OTHER ADULT

A family may have a spouse or cohead, but not both [HUD-50058 IB, p. 13].

Spouse means the marriage partner of the head of household.

SHA Policy

A *marriage partner* includes the partner in a "common law" marriage as defined in state law. The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

A *cohead* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one cohead.

SHA Policy

Minors who are emancipated under state law may be designated as a cohead.

Other adult means a family member, other than the head, spouse, or cohead, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults [HUD-50058 IB, p. 14].

3-I.F. DEPENDENT [24 CFR 5.603]

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, cohead, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a deduction from annual income as described in Chapter 6.

Joint Custody of Dependents

SHA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or resident family 50 percent or more of the time.

When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the SHA will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

3-I.G. FULL-TIME STUDENT [24 CFR 5.603]

A *full-time student* (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.

Identifying each FTS is important because (1) each family member that is an FTS, other than the head, spouse, or cohead, qualifies the family for a dependent deduction and (2) the income of such an FTS is treated differently from the income of other family members.

3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY

[24 CFR 5.100, 5.403, 945.105, and FR Notice 02/03/12]

Elderly Persons

An *elderly person* is a person who is at least 62 years of age [24 CFR 5.100].

Near-Elderly Persons

A *near-elderly person* is a person who is 50-61 years of age [24 CFR 945.105].

Elderly Family

An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person [24 CFR 5.403]. Identifying elderly families is important because these families qualify for special deductions from income as described in Chapter 6 and may qualify for a particular type of development as noted in Chapter 4.

3-I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY [24 CFR 5.403, FR Notice 02/03/12]

Persons with Disabilities

Under the public housing program, special rules apply to persons with disabilities and to any family whose head, spouse, or cohead is a person with disabilities. The technical definitions of individual with handicaps and persons with disabilities are provided in Exhibit 3-1 at the end of this chapter. These definitions are used for a number of purposes including ensuring that persons with disabilities are not discriminated against based upon disability.

As discussed in Chapter 2, the SHA must make all aspects of the public housing program accessible to persons with disabilities and consider reasonable accommodations requested based upon a person's disability.

Disabled Family

A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for special deductions from income as described in Chapter 6 and may qualify for a particular type of development as noted in Chapter 4.

Even though persons with drug or alcohol dependencies are considered persons with disabilities for the purpose of non-discrimination, this does not prevent the ~~SHA-PHA~~ from denying admission for reasons related to alcohol and drug abuse following policies found in Part III of this chapter, or from enforcing the lease following the policies in Chapter 13.

3-I.J. GUESTS [24 CFR 5.100]

A *guest* is defined as a person temporarily staying in the unit with the consent of a tenant or other member of the household who has expressed or implied authority to so consent on behalf of the tenant.

The lease must provide that the tenant has the right to exclusive use and occupancy of the leased unit by the members of the household authorized to reside in the unit in accordance with the lease, including reasonable accommodation of their guests [24 CFR 966.4(d)]. The head of household is responsible for the conduct of visitors and guests, inside the unit as well as anywhere on or near SHA-PHA premises [24 CFR 966.4(f)].

SHA Policy

A resident family must notify the SHA when overnight guests will be staying in the unit for more than 3 days. A guest can remain in the unit no longer than 24 cumulative calendar days during any 12 month period.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure expected to last more than 14 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the public housing unit more than 50 percent of the time, are not subject to the time limitations of guests as described above.

Former residents who have been evicted are not permitted as overnight guests.

Guests who represent the unit address as their residence address for receipt of benefits or other purposes will be considered unauthorized occupants. In addition, guests who remain in the unit beyond the allowable time limit will be considered unauthorized occupants, and their presence constitutes violation of the lease.

3-I.K. FOSTER CHILDREN AND FOSTER ADULTS

Foster adults are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone [24 CFR 5.609(c)(2)].

The term *foster child* is not specifically defined by the regulations.

Foster children and foster adults that are living with an applicant or resident family are considered household members but not family members. The income of foster children/adults is not counted in family annual income and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603 and HUD-50058 IB, pp. 13-14].

SHA Policy

A foster child is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

Children that are temporarily absent from the home as a result of placement in foster care are discussed in Section 3-I.L.

3-I.L. ABSENT FAMILY MEMBERS

Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, and illness.

Definitions of Temporarily and Permanently Absent

SHA Policy

An individual who is or is expected to be absent from the public housing unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. An individual who is or is expected to be absent from the public housing unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

SHA Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the SHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

Absences Due to Placement in Foster Care [24 CFR 5.403]

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

SHA Policy

If a child has been placed in foster care, the SHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

Absent Head, Spouse, or Cohead

SHA Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

Individuals Confined for Medical Reasons

SHA Policy

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member.

If there is a question about the status of a family member, the SHA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

Return of Permanently Absent Family Members

SHA Policy

The family must request SHA approval for the return of any adult family members that the SHA has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this chapter.

3-I.M. LIVE-IN AIDE

Live-in aide means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the persons, (2) is not obligated for the support of the persons, and (3) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].

The ~~SHA-PHA~~ must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by a family member with disabilities.

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in income calculations [24 CFR 5.609(c)(5)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.

SHA Policy

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional of the family's choosing, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. For continued approval, the family must submit a new, written request—subject to SHA verification—at each annual reexamination.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

The SHA has the discretion not to approve a particular person as a live-in aide, and may withdraw such approval, if [24 CFR 966.4(d)(3)(i)]:

The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

The person has a history of drug-related criminal activity or violent criminal activity; or

The person currently owes rent or other amounts to the SHA or to another ~~SHA~~ PHA in connection with Section 8 or public housing assistance under the 1937 Act.

Within 10 business days of receiving a request for a live-in aide, including all required documentation related to the request, the SHA will notify the family of its decision in writing.

PART II: BASIC ELIGIBILITY CRITERIA

3-II.A. INCOME ELIGIBILITY AND TARGETING

Income Limits

HUD is required by law to set income limits that determine the eligibility of applicants for HUD's assisted housing programs, including the public housing program. The income limits are published annually and are based on HUD estimates of median family income in a particular area or county, with adjustments for family size.

Types of Low-Income Families [24 CFR 5.603(b)]

Low-income family. A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.

Very low-income family. A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.

Extremely low-income family. A family whose annual income does not exceed 30 percent of the median income for the area, adjusted for family size.

Area median income is determined by HUD, with adjustments for smaller and larger families.

HUD may establish income ceilings higher or lower than 30, 50, or 80 percent of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

Using Income Limits for Eligibility [24 CFR 960.201]

Income limits are used for eligibility only at admission. Eligibility is established by comparing a family's annual income with HUD's published income limits. To be income-eligible, a family must be a *low-income* family.

Using Income Limits for Targeting [24 CFR 960.202(b)]

At least 40 percent of the families admitted to the ~~SHA's~~ PHA's public housing program during a ~~SHA-PHA~~ fiscal year from the ~~SHA-PHA~~ waiting list must be *extremely low-income* families. This is called the “basic targeting requirement”.

If admissions of extremely low-income families to the ~~SHA's~~ PHA's housing choice voucher program during a ~~SPHA~~ fiscal year exceed the 75 percent minimum targeting requirement for that program, such excess shall be credited against the ~~SHA's~~ PHA's public housing basic targeting requirement for the same fiscal year.

The fiscal year credit for housing choice voucher program admissions that exceed the minimum voucher program targeting requirement must not exceed the lower of:

- Ten percent of public housing waiting list admissions during the PHA fiscal year
- Ten percent of waiting list admission to the PHA's housing choice voucher program during the PHA fiscal year
- The number of qualifying low-income families who commence occupancy during the fiscal year of public housing units located in census tracts with a poverty rate of 30 percent or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.

For discussion of how income targeting is used in tenant selection, see Chapter 4.

3-II.B. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5, Subpart E]

Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with the ~~SHA's~~ PHA's Limited English Proficiency Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.

Declaration [24 CFR 5.508]

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, cohead, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

U.S. Citizens and Nationals

In general, citizens and nationals are required to submit only a signed declaration that claims their status. However, HUD regulations permit the ~~SHA~~ PHA to request additional documentation of their status, such as a passport.

SHA Policy

Family members who declare citizenship or national status will not be required to provide additional documentation unless the SHA receives information indicating that an individual's declaration may not be accurate.

Eligible Noncitizens

In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with ~~SHA~~ PHA efforts to verify their immigration status as described in Chapter 7. The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

Ineligible Noncitizens

Those noncitizens who do not wish to contend their immigration status are required to have their names listed on a noncontending family members listing, signed by the head, spouse, or cohead (regardless of citizenship status), indicating their ineligible immigration status. The [SHA-PHA](#) is not required to verify a family member's ineligible status and is not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

Mixed Families

A family is eligible for admission as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Chapter 6 for a discussion of how rents are prorated, and Chapter 14 for a discussion of informal hearing procedures.

Ineligible Families [24 CFR 5.514(d), (e), and (f)]

A [SHA-PHA](#) may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by the [SHA-PHA](#) that the individual or at least one family member is eligible [24 CFR 5.512(a)].

SHA Policy

The SHA will not provide assistance to a family before the verification of at least one family member as a citizen, national, or eligible noncitizen.

When the SHA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 10 business days of the determination.

The notice will explain the reasons for the denial of assistance and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with the SHA. The informal hearing with the SHA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice shall also inform the applicant family that assistance may be delayed until the conclusion of the USCIS appeal process and the completion of the informal hearing process.

Informal hearing procedures are contained in Chapter 14.

Timeframe for Determination of Citizenship Status [24 CFR 5.508(g)]

For new occupants joining the resident family the ~~SHA-PHA~~ must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, the ~~SHA-PHA~~ must grant such an extension for no more than 30 days [24 CFR 5.508(h)].

Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

SHA Policy

The SHA will verify the status of applicants at the time other eligibility factors are determined.

3-IL.C. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and 5.218, Notice PIH 2012-10]

SHA Policy:

~~—The SHA shall require that all members of the applicant's household provide documentation of a valid Social Security Number (SSN). In the event of a valid reason for not being able to provide an assigned SSN, the SHA shall use the Alternate ID. Once the SSN is provided the SHA shall delete the ID number assigned.~~

~~—In accordance with PIH 2010-3, applicants and participants shall be required to disclose his/her assigned SSN, with the exception of the following individuals:~~

- ~~a. Those individuals who do not contend to have eligible immigrations status.
 - ~~1. A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status is not eligible for housing assistance and cannot be house.~~
 - ~~2. A family that consists of two or more household members and at least one household member that has eligible immigration status, is classified as a mixed family, and is eligible for prorated assistance in accordance with 24 CFR 5.520. The SHA shall not deny assistance to mixed families due to nondisclosure of an SSN by an individual who does not contend to have eligible immigration status.~~~~
- ~~b. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid.~~
- ~~c. Existing program participants who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues even if the individual moves to a new assisted unit.~~

~~The SHA shall request the applicant and participant who are not exempt to provide documentation of each disclosed SSN. Acceptable evidence of the SSN shall consist of:~~

- ~~a. An original SSN card issued by the SSA~~
- ~~b. An original SSA issued document, which contains the name and SSN of the individual; or~~

- ~~e. An original document issued by a federal state, or local government agency, which contains the name and SSN of the individual~~

~~The SHA may reject documentation of the SSN provided by the applicant or participant for only the following reasons:~~

- ~~1. The document is not an original document; or~~
- ~~2. The original document has been altered, mutilated, or not legible; or~~
- ~~3. The document appears to be a forged document~~

~~The SHA shall explain to the applicant or participant, the reason the document is not acceptable and request the individual to obtain acceptable documentation of the SSN and submit it to the SHA within 30 days from the date of notification.~~

~~— Once the individual's verification status is classified as "Verified" within the EIV, the SHA shall remove and destroy, by not later than the next reexamination of family income or composition, the copy of the SSN documentation. The retention of the EIV report in the tenant file shall be considered adequate for future documentation.~~

The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. If a child under age 6 has been added to an applicant family within the 6 months prior to program admission, an otherwise eligible family may be admitted to the program and must disclose and document the child's SSN within 90 days of admission. A detailed discussion of acceptable documentation is provided in Chapter 7.

Note: These requirements do not apply to noncitizens who do not contend eligible immigration status.

In addition, each participant who has not previously disclosed an SSN, has previously disclosed an SSN that HUD or the SSA determined was invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or annual reexamination or recertification. Participants age 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are exempt from this requirement and remain exempt even if they move to a new assisted unit.

The PHA must deny assistance to an applicant family if they do not meet the SSN disclosure and documentation requirements contained in 24 CFR 5.216.

3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.230]

HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age, to sign form HUD-9886, Authorization for the Release of Information Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Chapter 7 provides detailed information concerning the consent forms and verification requirements.

The SHA-PHA must deny admission to the program if any member of the applicant family fails to sign and submit consent forms which allow the SHA-PHA to obtain information that the SHA-PHA has determined is necessary in administration of the public housing program [24 CFR 960.259(a) and (b)].

PART III: DENIAL OF ADMISSION

3-III.A. OVERVIEW

A family that does not meet the eligibility criteria discussed in Parts I and II, must be denied admission.

In addition, HUD requires or permits the ~~SHA-PHA~~ to deny admission based on certain types of current or past behaviors of family members as discussed in this part. The ~~SHA's-PHA's~~ authority in this area is limited by the Violence against Women Reauthorization Act of ~~2005~~ 2013 (VAWA), which expressly prohibits the denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been the victim of domestic violence, dating violence, or stalking [24 CFR 5.2005].

This part covers the following topics:

- Required denial of admission
- Other permitted reasons for denial of admission
- Screening
- Criteria for deciding to deny admission
- Prohibition against denial of admission to victims of domestic violence, dating violence, or stalking
- Notice of eligibility or denial

3-III.B. REQUIRED DENIAL OF ADMISSION [24 CFR 960.204]

PHAs are required to establish standards that prohibit admission of an applicant to the public housing program if they have engaged in certain criminal activity or if the ~~SHA-PHA~~ has reasonable cause to believe that a household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

Where the statute requires that the ~~SHAPHA~~ prohibit admission for a prescribed period of time after some disqualifying behavior or event, the ~~SHA-PHA~~ may choose to continue that prohibition for a longer period of time [24 CFR 960.203(c)(3)(ii)].

HUD requires the ~~SHA-PHA~~ to deny assistance in the following cases:

- Any member of the household has been evicted from federally-assisted housing in the last 3 years for drug-related criminal activity. HUD permits but does not require the ~~SHA-PHA~~ to admit an otherwise-eligible family if the household member has completed a ~~SHAPHA~~-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g. the person involved in the criminal activity no longer lives in the household).

SHA Policy

The SHA will admit an otherwise-eligible family who was evicted from federally-assisted housing within the past ~~5~~ three (3)-years for drug-related criminal activity, if the SHA is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by the SHA, or the person who committed the crime is no longer living in the household.

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- The ~~SHA-PHA~~ determines that any household member is currently engaged in the use of illegal drugs. *Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act [21 U.S.C. 802]. *Currently engaged in the illegal use of a drug* means a person has engaged in the behavior recently enough to justify a reasonable belief that there is continuing illegal drug use by a household member [24 CFR 960.205(b)(1)].

SHA Policy

Currently engaged in is defined as any use of illegal drugs during the previous six months.

- The ~~SHA-PHA~~ has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

SHA Policy

In determining reasonable cause, the SHA will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. A conviction will be given more weight than an arrest. A record of arrest(s) will not be used as the basis for the denial or proof that the applicant engaged in disqualifying criminal activity. The SHA will also consider evidence from treatment providers or community-based organizations providing services to household members.

- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program.

3-III.C. OTHER PERMITTED REASONS FOR DENIAL OF ADMISSION

HUD permits, but does not require the SHA-PHA to deny admission for the reasons discussed in this section.

Criminal Activity [24 CFR 960.203 (b) and (c)]

~~Under the Public Housing Assessment System (PHAS), PHAs that have adopted policies, implemented procedures and can document that they successfully screen out and deny admission to certain applicants with unfavorable criminal histories receive points.~~

The SHA-PHA is responsible for screening family behavior and suitability for tenancy. In doing so, the SHA-PHA may consider an applicant's history of criminal activity involving crimes of physical violence to persons or property and other criminal acts which would adversely affect the health, safety or welfare of other tenants.

SHA Policy

If any household member is currently engaged in, or has engaged in any of the following criminal activities, within the past five years, the family will be denied admission.

Drug-related criminal activity, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100]. The SHA will permanently deny admission to applicants convicted of manufacturing or producing methamphetamine on the premises of any assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.

Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100].

Criminal activity that may threaten the health, safety, or welfare of other tenants [24 CFR 960.203(c)(3)].

Criminal activity that may threaten the health or safety of SHA staff, contractors, subcontractors, or agents.

Criminal sexual conduct, including but not limited to sexual assault, incest, open and gross lewdness, or child abuse. Applicants and/or their household members who have been convicted of criminal sexual conduct, including but not limited to, sexual assault, rape, incest, statutory sexual seduction, open and gross lewdness, or child abuse, and are required by law to register as a sex offender will be prohibited from participation in any assisted housing program operated by the SHA.

Evidence of such criminal activity includes, but is not limited to any record of convictions, arrests, or evictions for suspected drug-related or violent criminal activity of household members within the past 5 years. A conviction for such activity will be given more weight than an arrest or an eviction. A record of arrest(s) will not be used as the basis for the denial or proof that the applicant engaged in disqualifying criminal activity.

In making its decision to deny assistance, the SHA will consider the factors discussed in Sections 3-III.E and 3-III.F. Upon consideration of such factors, the SHA may, on a case-by-case basis, decide not to deny assistance.

Previous Behavior [960.203(c) and (d) and PH Occ GB, p. 48]

HUD authorizes the SHA-PHA to deny admission based on relevant information pertaining to the family's previous behavior and suitability for tenancy.

In the event of the receipt of unfavorable information with respect to an applicant, the SHA-PHA must consider the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). As discussed in Section 3-III.F, the SHA-PHA may also need to consider whether the cause of the unfavorable information may be that the applicant is the victim of domestic violence, dating violence, or stalking.

SHA Policy

The SHA will deny admission to an applicant family if the SHA determines that the family:

- Has a pattern of unsuitable past performance in meeting financial obligations, including rent within the past three years

- Has a pattern of disturbance of neighbors, destruction of property, or living or housekeeping habits at prior residences within the past five years which may adversely affect the health, safety, or welfare of other tenants

- Has a pattern of eviction from housing or termination from residential programs within the past three years (considering relevant circumstances)

- Owes rent or other amounts to this or any other SHA or owner in connection with any assisted housing program

- Misrepresented or does not provide complete information related to eligibility, including income, award of preferences for admission, expenses, family composition or rent

- Has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program

- Has engaged in or threatened violent or abusive behavior toward SHA personnel

 - Abusive or violent behavior towards SHA personnel* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

 - Threatening* refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

- Has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal assistance program.

- Has committed fraud, bribery, or any other corrupt or criminal act in connection with any State assistance program resulting in permanent denial of benefits under the program.

- Is currently on probation. A year must have elapsed, without incident, since the completion of probation/parole in order to be considered eligible for public

housing. An applicant who is released with no probation requirement would have to operate on the outside for one year with no further evidence of prohibited criminal activities in order to be considered eligible for admission.

In making its decision to deny admission, the ~~SHA-PHA~~ will consider the factors discussed in Sections 3-III.E and 3-III.F. Upon consideration of such factors, the ~~SHA-PHA~~ may, on a case-by-case basis, decide not to deny admission.

The ~~SHA-PHA~~ will consider the existence of mitigating factors, such as loss of employment or other financial difficulties, before denying admission to an applicant based on the failure to meet prior financial obligations.

3-III.D. SCREENING

Screening for Eligibility

PHAs are authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the public housing program. This authority assists the ~~SHA~~ PHA in complying with HUD requirements and ~~SHA-PHA~~ policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to obtain access to the records the ~~SHA-PHA~~ must require every applicant family to submit a consent form signed by each adult household member [24 CFR 5.903].

The ~~SHA-PHA~~ may not pass along to the applicant the costs of a criminal records check [24 CFR 960.204(d)].

SHA Policy

The SHA will perform criminal background checks through local law enforcement and other state and national resources for all adult household members.

If the results of the criminal background check indicate there may have been past criminal activity, but the results are inconclusive, the SHA will request information from the National Crime Information Center (NCIC) through the SC Law Enforcement Division (SLED) and may request a fingerprint card.

PHAs are required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 960.204(a)(4)].

SHA Policy

The SHA will use the Dru Sjodin National Sex Offender database to screen applicants for admission.

Additionally, PHAs must ask whether the applicant, or any member of the applicant's household, is subject to a lifetime registered sex offender registration requirement in any state [Notice PIH 2012-28].

If the ~~SHA-PHA~~ proposes to deny admission based on a criminal record or on lifetime sex offender registration information, the ~~SHA-PHA~~ must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission [24 CFR 5.903(f) and 5.905(d)].

Obtaining Information from Drug Treatment Facilities [24 CFR 960.205]

HUD authorizes PHAs to request and obtain information from drug abuse treatment facilities concerning applicants. Specifically, the PHA may require each applicant to submit for all household members who are at least 18 years of age, and for each family head, spouse, or cohead regardless of age, one or more consent forms signed by such household members that requests any drug abuse treatment facility to inform the PHA whether the drug abuse treatment facility

has reasonable cause to believe that the household member is currently engaging in illegal drug use.

Drug Abuse Treatment Facility means an entity that holds itself out as providing, and provides, diagnosis, treatment, or referral for treatment with respect to the illegal drug use, and is either an identified unit within a general care facility, or an entity other than a general medical care facility.

Currently engaging in illegal use of a drug means illegal use of a drug that occurred recently enough to justify a reasonable belief that there is continuing illegal drug use by a household member.

Any consent form used for the purpose of obtaining information from a drug abuse treatment facility to determine whether a household member is currently engaging in illegal drug use must expire automatically after the PHA has made a final decision to either approve or deny the admission of such person.

Any charges incurred by the PHA for information provided from a drug abuse treatment facility may not be passed on to the applicant or tenant.

If the PHA chooses to obtain such information from drug abuse treatment facilities, it must adopt and implement one of the two following policies:

Policy A: The PHA must submit a request for information to a drug abuse treatment facility for all families before they are admitted. The request must be submitted for each proposed household member who is at least 18 years of age, and for each family head, spouse, or cohead regardless of age.

Policy B: The PHA must submit a request for information only for certain household members, whose criminal record indicates prior arrests or conviction for any criminal activity that may be a basis for denial of admission or whose prior tenancy records indicate that the proposed household member engaged in destruction of property or violent activity against another person, or they interfered with the right of peaceful enjoyment of the premises of other residents.

If the PHA chooses to obtain such information, it must abide by the HUD requirements for records management and confidentiality as described in 24 CFR 960.205(f).

SHA Policy

The SHA will obtain information from drug abuse treatment facilities to determine whether any applicant family's household members are currently engaging in illegal drug activity only when the SHA has determined that the family will be denied admission based on a family member's drug-related criminal activity, and the family claims that the culpable family member has successfully completed a supervised drug or alcohol rehabilitation program.

Screening for Suitability as a Tenant [24 CFR 960.203(c)]

The SHA-PHA is responsible for the screening and selection of families to occupy public housing units. The SHA-PHA may consider all relevant information. Screening is important to public housing communities and program integrity, and to ensure that assisted housing is provided to those families that will adhere to lease obligations.

SHA Policy

The SHA will consider the family's history with respect to the following factors:

Payment of rent and utilities

Caring for a unit and premises

Respecting the rights of other residents to the peaceful enjoyment of their housing

Criminal activity that is a threat to the health, safety, or property of others

Behavior of all household members as related to the grounds for denial as detailed in Sections 3-III. B and C

Compliance with any other essential conditions of tenancy

Resources Used to Check Applicant Suitability [PH Occ GB, pp. 47-56]

PHAs have a variety of resources available to them for determination of the suitability of applicants. Generally, PHAs should reject applicants who have recent behavior that would warrant lease termination for a public housing resident.

SHA Policy

In order to determine the suitability of applicants the SHA will examine applicant history for the past five years. Such background checks will include:

Past Performance in Meeting Financial Obligations, Especially Rent

PHA and landlord references for the past five years, gathering information about past performance meeting rental obligations such as rent payment record, late payment record, whether the PHA/landlord ever began or completed lease termination for non-payment, and whether utilities were ever disconnected in the unit. PHAs and landlords will be asked if they would rent to the applicant family again.

Utility company references covering the monthly amount of utilities, late payment, disconnection, return of a utility deposit and whether the applicant can get utilities turned on in his/her name. (Use of this inquiry will be reserved for applicants applying for units where there are tenant-paid utilities.)

If an applicant has no rental payment history the SHA will check court records of eviction actions and other financial judgments, and credit reports. A lack of credit history will not disqualify someone from becoming a public housing resident, but a poor credit rating may.

Applicants with no rental payment history will also be asked to provide the SHA with personal references. The references will be requested to complete a verification of the applicant's ability to pay rent if no other documentation of ability to meet financial obligations is available. The applicant will also be required to complete a checklist documenting their ability to meet financial obligations.

If previous landlords or the utility company do not respond to requests from the SHA, the applicant may provide other documentation that demonstrates their ability to meet financial obligations (e.g. rent receipts, cancelled checks, etc.)

Disturbances of Neighbors, Destruction of Property or Living or Housekeeping Habits at Prior Residences that May Adversely Affect Health, Safety, or Welfare of Other Tenants, or Cause Damage to the Unit or the Development

PHA and landlord references for the past five years, gathering information on whether the applicant kept a unit clean, safe and sanitary; whether they violated health or safety codes; whether any damage was done by the applicant to a current or previous unit or the development, and, if so, how much the repair of the damage cost; whether the applicant's housekeeping caused insect or rodent infestation; and whether the neighbors complained about the applicant or whether the police were ever called because of disturbances.

Police and court records within the past five years will be used to check for any evidence of disturbance of neighbors or destruction of property that might have resulted in arrest or conviction. A record of arrest(s) will not be used as the basis for the denial or proof that the applicant engaged in disqualifying activity.

A personal reference will be requested to complete a verification of the applicant's ability to care for the unit and avoid disturbing neighbors if no other documentation is available. In these cases, the applicant will also be required to complete a checklist documenting their ability to care for the unit and to avoid disturbing neighbors.

Home visits may be used to determine the applicant's ability to care for the unit.

3-III.E. CRITERIA FOR DECIDING TO DENY ADMISSION

Evidence

SHA Policy

The SHA will use the concept of the preponderance of the evidence as the standard for making all admission decisions.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Consideration of Circumstances [24 CFR 960.203(c)(3) and (d)]

HUD authorizes the SHA-PHA to consider all relevant circumstances when deciding whether to deny admission based on a family's past history except in the situations for which denial of admission is mandated (see Section 3-III.B).

In the event the SHA-PHA receives unfavorable information with respect to an applicant, consideration must be given to the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). In a manner consistent with its policies, PHAs may give consideration to factors which might indicate a reasonable probability of favorable future conduct.

SHA Policy

The SHA will consider the following facts and circumstances prior to making its decision:

The seriousness of the case, especially with respect to how it would affect other residents' safety or property

The effects that denial of admission may have on other members of the family who were not involved in the action or failure to act

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or (as discussed further in section 3-III.F) a victim of domestic violence, dating violence, sexual assault, or stalking

The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as the family's recent history and the likelihood of favorable conduct in the future

While a record of arrest(s) will not be used as the basis for denial, an arrest may, however, trigger an investigation to determine whether the applicant actually engaged in disqualifying criminal activity. As part of its investigation, the PHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The SHA may also consider:

Any statements made by witnesses or the applicant not included in the police report

Whether criminal charges were filed

Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal

Any other evidence relevant to determining whether or not the applicant engaged in disqualifying activity

Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property

Evidence of the applicant family's participation in or willingness to participate in social service or other appropriate counseling service programs

In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

The SHA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

Removal of a Family Member's Name from the Application [24 CFR 960.203(c)(3)(i)]

Should the PHA's screening process reveal that an applicant's household includes an individual subject to state lifetime registered sex offender registration, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must deny admission to the family [Notice PIH 2012-28].

For other criminal activity, the PHA may permit the family to exclude the culpable family members as a condition of eligibility. [24 CFR 960.203(c)(3)(i)].

~~HUD permits PHAs to impose as a condition of admission, a requirement that family members who participated in or were culpable for an action or failure to act which warrants denial of admission, to not reside in the unit.~~

SHA Policy

As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the public housing unit.

After admission to the program, the family must present evidence of the former family member's current address upon SHA request.

Reasonable Accommodation [PH Occ GB, pp. 58-60]

If the family includes a person with disabilities, the SHA's decision concerning denial of admission is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

SHA Policy

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of admission, the SHA will determine whether the behavior is related to the disability. If so, upon the family's request, the SHA will determine whether alternative measures are appropriate as a reasonable accommodation. The SHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of admission. See Chapter 2 for a discussion of reasonable accommodation.

3-III.F. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, ~~AND OR~~ STALKING ~~[24 CFR Part 5, Subpart L]}~~

The Violence against Women ~~Reauthorization~~ Act of ~~2005–2013~~ (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibits denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking. ~~Specifically, Section 607(2) of VAWA adds the following provision to Section 6 of the U.S. Housing Act of 1937, which lists contract provisions and requirements for the public housing program:~~

~~Every contract for contributions shall provide that . . . the public housing agency shall not deny admission to the project to any applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking if the applicant otherwise qualifies for assistance or admission, and that nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.~~

Definitions of key terms used in VAWA are provided in section 16-VII of this ACOP, where general VAWA requirements and policies pertaining to notification, documentation, and confidentiality are also located.

Definitions ~~[24 CFR 5.2003]~~

As used in VAWA:

- ~~• The term *bifurcate* means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.~~
- ~~• The term *domestic violence* includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.~~
- ~~• The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:~~
 - ~~-The length of the relationship~~
 - ~~-The type of relationship~~
 - ~~-The frequency of interaction between the persons involved in the relationship~~

•The term *stalking* means:-

- To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or
- To place under surveillance with the intent to kill, injure, harass, or intimidate another person; and
- In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

•The term *immediate family member* means, with respect to a person—

- A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or
- Any other person living in the household of that person and related to that person by blood and marriage.

Notification

VAWA 2013 expanded notification requirements to include the obligation for SHAs to provide applicants who are denied assistance with a notice of VAWA rights and the form HUD-5382 at the time the applicant is denied.

SHA Policy

The SHA acknowledges that a victim of domestic violence, dating violence, or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior arrest record) that would warrant denial under the SHA's policies. Therefore, if the SHA makes a determination to deny admission to an applicant family, the SHA will include in its notice of denial information about the protection against denial provided by VAWA in accordance with section 16-VII.C of this ACOP, a notice of VAWA rights, and a copy of the form HUD-5382. The SHA will request in writing that an applicant wishing to claim this protection notify the SHA within 14 business days.

A statement of the protection against denial provided by VAWA

A description of SHA confidentiality requirements

A request that an applicant wishing to claim this protection submit to the SHA documentation meeting the specifications below with her or his request for an informal hearing (see section 14 I.B)

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Documentation

Victim Documentation [24 CFR 5.2007]

SHA Policy

If an applicant claims the protection against denial of admission that VAWA provides to victims of domestic violence, dating violence, sexual assault, or stalking, the SHA will request in writing that the applicant provide documentation supporting the claim in accordance with section 16-VII.D of this ACOP.

~~An applicant claiming that the cause of an unfavorable history is that a member of the applicant family is or has been a victim of domestic violence, dating violence, or stalking must provide documentation (1) demonstrating the connection between the abuse and the unfavorable history and (2) naming the perpetrator of the abuse. The documentation may consist of any of the following:~~

~~A statement signed by the victim certifying that the information provided is true and correct and that it describes bona fide incident(s) of actual or threatened domestic violence, dating violence, or stalking~~

~~A police or court record documenting the domestic violence, dating violence, or stalking~~

~~Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; or a medical or other knowledgeable professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.~~

Perpetrator Documentation

SHA Policy

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

A signed statement (1) requesting that the perpetrator be removed from the application and (2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the public housing unit

Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

Time Frame for Submitting Documentation

SHA Policy

~~The applicant must submit the required documentation with her or his request for an informal hearing (see section 14 I.B) or must request an extension in writing at that time. If the applicant so requests, the SHA will grant an extension of 10 business days and will postpone scheduling the applicant's informal hearing until after it has received the documentation or the extension period has elapsed. If, after reviewing the documentation provided by the applicant, the SHA determines that the family is eligible for assistance, no informal hearing will be scheduled, and the SHA will proceed with admission of the applicant family.~~

SHA Confidentiality Requirements [24 CFR 5.2007(a)(1)(5)]

~~All information provided to the SHA regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared database nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law.~~

SHA Policy

~~If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the SHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.~~

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3-III.G. NOTICE OF ELIGIBILITY OR DENIAL

The ~~SHA-PHA~~ will notify an applicant family of its final determination of eligibility in accordance with the policies in Section 4-III.E.

If a ~~SHA-PHA~~ uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the ~~SHA-PHA~~ can move to deny the application. In addition, a copy of the record must be provided to the subject of the record [24 CFR 5.903(f) and 5.905(d)].

SHA Policy

If, based on a criminal record or sex offender registration information an applicant family appears to be ineligible, the SHA will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record. The family will be given 10 business days to dispute the accuracy and relevance of the information. If the family does not contact the SHA to dispute the information within that 10 day period, the SHA will proceed with issuing the notice of denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal hearing process.

Notice requirements related to denying admission to noncitizens are contained in Section 3-II.B.

Notice policies related to denying admission to applicants who may be victims of domestic violence, dating violence, or stalking are contained in Section 3-III.F.

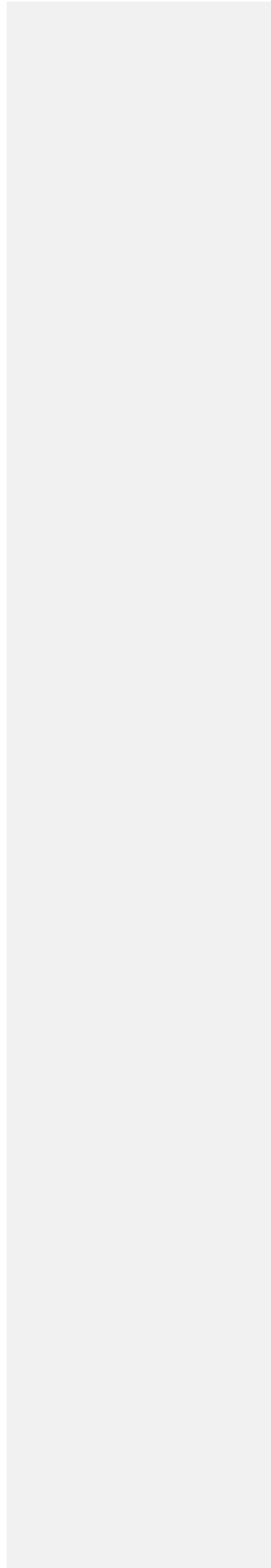


EXHIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

Person with Disabilities [24 CFR 5.403]

The term *person with disabilities* means a person who has any of the following types of conditions.

- Has a disability, as defined in 42 U.S.C. Section 423(d)(1)(A), which reads:

Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months

In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.
- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C.15002(8)], which defines developmental disability in functional terms as follows:

(A) IN GENERAL – The term *developmental disability* means a severe, chronic disability of an individual that-

 - (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
 - (ii) is manifested before the individual attains age 22;
 - (iii) is likely to continue indefinitely;
 - (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity: (I) self-care, (II) receptive and expressive language, (III) learning, (IV) mobility, (V) self-direction, (VI) capacity for independent living, (VII) economic self-sufficiency; and
 - (v) reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(B) INFANTS AND YOUNG CHILDREN – An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.
- Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

People with the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.

A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.

For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

Individual with Handicaps [24 CFR 8.3]

Individual with handicaps means any person who has 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. 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. As used in this definition, the phrase:

(1) Physical or mental impairment includes:

- (a) 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
- (b) 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.

(2) Major life activities means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

(3) 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.

(4) Is regarded as having an impairment means:

- (a) 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
- (b) Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment
- (c) Has none of the impairments defined in paragraph (a) of this section but is treated by a recipient as having such an impairment

Chapter 4

APPLICATIONS, WAITING LIST AND TENANT SELECTION

INTRODUCTION

When a family wishes to reside in public housing, the family must submit an application that provides the [SHAPHA](#) with the information needed to determine the family's eligibility. HUD requires the [SHAPHA](#) to place all eligible families that apply for public housing on a waiting list. When a unit becomes available, the [SHAPHA](#) must select families from the waiting list in accordance with HUD requirements and [SHAPHA](#) policies as stated in its Admissions and Continued Occupancy Policy (ACOP) and its annual plan.

The [SHAPHA](#) is required to adopt a clear approach to accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow this approach consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or the [SHAPHA](#) to receive preferential treatment.

HUD regulations require that the [SHAPHA](#) comply with all equal opportunity requirements and it must affirmatively further fair housing goals in the administration of the program [24 CFR 960.103, PH Occ GB p. 13]. Adherence to the selection policies described in this chapter ensures that the [SHAPHA](#) will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and [SHAPHA](#) policies for taking applications, managing the waiting list and selecting families from the waiting list. The PHAs policies for assigning unit size and making unit offers are contained in Chapter 5. Together, Chapters 4 and 5 of the ACOP comprise the [SHAPHA](#)'s Tenant Selection and Assignment Plan (TSAP).

The policies outlined in this chapter are organized into three sections, as follows:

Part I: The Application Process. This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the [SHAPHA](#) will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how the [SHAPHA](#)'s waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for public housing. It also discusses the process the [SHAPHA](#) will use to keep the waiting list current.

Part III: Tenant Selection. This part describes the policies that guide the [SHAPHA](#) in selecting families from the waiting list as units become available. It also specifies how in-person interviews will be used to ensure that the [SHAPHA](#) has the information needed to make a final eligibility determination.

PART I: THE APPLICATION PROCESS

4-I.A. OVERVIEW

This part describes the policies that guide the SHA's-PHA's efforts to distribute and accept applications, and to make preliminary determinations of applicant family eligibility that affect placement of the family on the waiting list. This part also describes the SHA's-PHA's obligation to ensure the accessibility of the application process.

4-I.B. APPLYING FOR ASSISTANCE

Any family that wishes to reside in public housing must apply for admission to the program [24 CFR 1.4(b)(2)(ii), 24 CFR 960.202(a)(2)(iv), and PH Occ GB, p. 68]. HUD permits the SHA-PHA to determine the format and content of its applications, as well how such applications will be made available to interested families and how applications will be accepted by the SHA.

However, the PHA must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of the PHA's application [Notice PIH 2009-36].

SHA Policy

Depending upon the length of time that applicants may need to wait to be housed, the SHA may use a one- or two-step application process.

A one-step process will be used when it is expected that a family will be selected from the waiting list within 60 days of the date of application. At application, the family must provide all of the information necessary to establish family eligibility and the amount of rent the family will pay.

A two-step process will be used when it is expected that a family will not be selected from the waiting list for at least 60 days from the date of application. Under the two-step application process, the SHA initially will require families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and the amount of rent the family will pay when selected from the waiting list.

Families may apply online using the SHA's application portal. In the case of a reasonable accommodation, the family may obtain application forms from the SHA's main office or site offices during normal business hours. ~~Families may also~~ or request – by telephone or by mail – that a form be sent to the family via first class mail.

Completed hardcopy applications by way of reasonable accommodation must be returned to the SHA by mail or submitted in person during normal business hours. Applications must be complete in order to be accepted by the SHA for processing. If an application is incomplete, the SHA will notify the family of the additional information required. Families applying online will receive an email that the application has been rejected or accepted and they have been placed on the waiting list.

4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS

The ~~SHA-PHA~~ must take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard ~~SHA-PHA~~ application process.

Disabled Populations [24 CFR 8; PH Occ GB, p. 68]

The ~~SHA-PHA~~ must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or the ~~SHA-PHA~~ must provide an alternate approach that provides equal access to the application process. Chapter 2 provides a full discussion of the ~~SHA's-PHA's~~ policies related to providing reasonable accommodations for people with disabilities.

Limited English Proficiency

PHAs are required to take reasonable steps to ensure meaningful access to their programs and activities by persons with limited English proficiency [24 CFR 1]. Chapter 2 provides a full discussion on the ~~SHA's-PHA's~~ policies related to ensuring access to people with limited English proficiency (LEP).

4-I.D. PLACEMENT ON THE WAITING LIST

The ~~SHA-PHA~~ must review each completed application received and make a preliminary assessment of the family's eligibility. The ~~SHA-PHA~~ must place on the waiting list families for whom the list is open unless the ~~SHA-PHA~~ determines the family to be ineligible. Where the family is determined to be ineligible, the ~~SHA-PHA~~ must notify the family in writing [24 CFR 960.208(a); PH Occ GB, p. 41]. Where the family is not determined to be ineligible, the family will be placed on a waiting list of applicants.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

Ineligible for Placement on the Waiting List

Preliminary Ineligibility

SHA Policy

In order to maintain an accurate record of all persons applying for public housing, each applicant shall be initially placed upon the waiting list. Where a family is determined to be ineligible, the SHA will send written notification of the ineligibility determination within 10 business days of receiving a completed application. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal hearing and explain the process for doing so (see Chapter 14).

Eligible for Placement on the Waiting List

SHA Policy

The SHA will send written notification of the preliminary eligibility determination within 10 business days of receiving a completed application. If applicable, the notice will also indicate the waiting list preference(s) for which the family appears to qualify.

Placement on the waiting list does not indicate that the family is, in fact, eligible for admission. A final determination of eligibility and qualification for preferences will be made when the family is selected from the waiting list.

Applicants will be placed on the waiting list according to SHA preference(s) and the date and time their complete application is received by the SHA.

The SHA will assign families on the waiting list according to the bedroom size for which a family qualifies as established in its occupancy standards (see Chapter 5). Families may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines (as long as the unit is not overcrowded according to SHA standards and local codes). However, in these cases, the family must agree not to request a transfer for two years after admission, unless they have a change in family size or composition.

Placement on the waiting list does not indicate that the family is, in fact, eligible for admission. When the family is selected from the waiting list, the PHA will verify any preference(s) claimed and determine eligibility and suitability for admission to the program.

PART II: MANAGING THE WAITING LIST

4-II.A. OVERVIEW

The SHA-PHA must have policies regarding the type of waiting list it will utilize as well as the various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, closing the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for public housing, and conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how the SHA-PHA may structure its waiting list and how families must be treated if they apply for public housing at a SHA-PHA that administers more than one assisted housing program.

4-II.B. ORGANIZATION OF THE WAITING LIST

The SHA's-PHA's public housing waiting list must be organized in such a manner to allow the SHA-PHA to accurately identify and select families in the proper order, according to the admissions policies described in this ACOP.

SHA Policy

The waiting list will contain the following information for each applicant listed:

Name and social security number of head of household

Unit size required (number of family members)

Amount and source of annual income

~~Credit worthiness~~

Accessibility requirement, if any

Date and time of application or application number

Household type (family, elderly, disabled)

Admission preference, if any

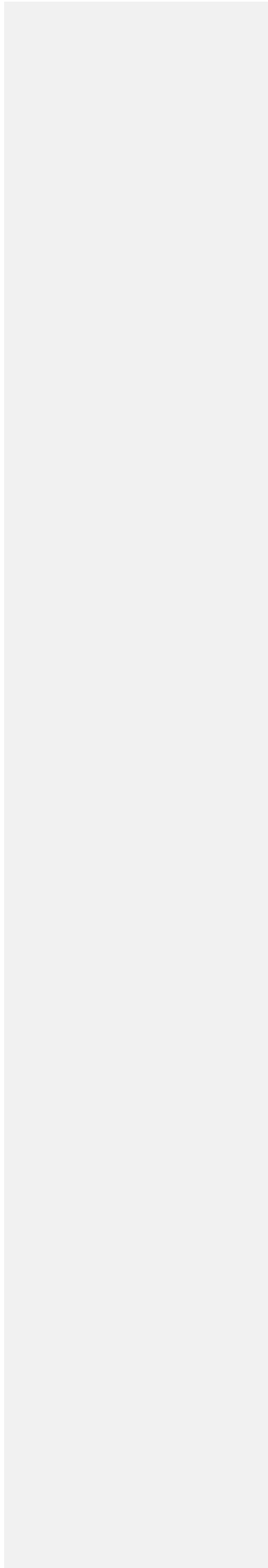
Race and ethnicity of the head of household

The specific site(s) selected (only if SHA-PHA offers site-based waiting lists)

Applicants will be listed in sequence based upon:

1. Date and time the application is received
2. The size and type of unit required by the family
3. Preference dictated by the current policy approved by the SHAPHA

In filling an actual or expected vacancy, the SHA-PHA will offer the dwelling unit to an applicant in the appropriate sequence, with the goal of accomplishing deconcentration of poverty and income-mixing objectives. The SHA-PHA will offer the unit until it is accepted.



The ~~SHA-PHA~~ may adopt one community-wide waiting list or site-based waiting lists. The ~~SHA-PHA~~ must obtain approval from HUD through submission of its Annual Plan before it may offer site-based waiting lists. Site-based waiting lists allow families to select the development where they wish to reside and must be consistent with all applicable civil rights and fair housing laws and regulations [24 CFR 903.7(b)(2)].

SHA Policy

In accordance with Asset Management, the SHA may maintain a blend of a community-wide waiting list and site-based waiting lists, which is determined to be most beneficial to the AMP.

Site-Specific Waiting List(s):

The following site-specific waiting lists are currently maintained by the SHA:

~~Archibald Rutledge High-Rise~~
~~Archibald Rutledge Village~~
~~Cambridge Place~~
~~Cammie Clagett Apartments~~
~~Camp Croft Courts Apartments~~
~~Cedar Spring Place (Public Housing Units Only)~~
~~Collins Park/Cottage Grove (Public Housing Units Only)~~
~~Country Gardens Estates (Public Housing Units Only)~~
~~Dr. John C. Bull Apartments~~
~~Ellen C. Watson Apartments~~
~~Frank M. Gooch Apartments~~
~~J. Curtis Anderson Townhomes~~
~~Leland Street Apartments~~
~~Louvenia D. Barksdale Apartments~~
~~Prince Hall Apartments~~
~~Serenity at Page Lake Manor~~
~~Section 32 Program (Lease-Purchase/Homeownership)~~
~~Spruce Street Apartments~~
~~The Ridge at Southport (Public Housing Units Only)~~
~~Tobias Booker Hartwell Campus of Learners~~
~~Victoria Gardens Apartments~~

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Based upon Asset Management, the SHA has determined to convert communities to a Site Based waiting list.

Any change shall be advertised and provided for a 30 day comment period and presentation to the Board of Commissioners for formal adoption in accordance with HUD requirements.

HUD directs that a family that applies to reside in public housing must be offered the opportunity to be placed on the waiting list for any tenant-based or project-based voucher or moderate rehabilitation program that the ~~SHA-PHA~~ operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs [24 CFR 982.205(a)(2)(i)].

HUD permits, but does not require, that PHAs maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs [24 CFR 982.205(a)(1)].

SHA Policy

The SHA will not merge the Site Based waiting lists with the waiting list for any other program the SHA operates.

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4-II.C. OPENING AND CLOSING THE WAITING LIST

Closing the Waiting List

The SHA-PHA is permitted to close the waiting list, in whole or in part, if it has an adequate pool of families to fill its developments. The SHA-PHA may close the waiting list completely, or restrict intake by preference, type of project, or by size and type of dwelling unit. [PH Occ GB, p. 31].

SHA Policy

The SHA will close the waiting list when the estimated waiting period for housing applicants on the list reaches 24 months more than 150 applicants per bedroom size for the most current applicants. Where the SHA has particular preferences or other criteria that require a specific category of family, the SHA may elect to continue to accept applications from these applicants while closing the waiting list to others.

The SHA may close its waiting list for specific sites or bedroom sizes if it is found that there is a sufficient number of applicants available for the ensuing 24-12 months.

Reopening the Waiting List

If the waiting list has been closed, it may be reopened at any time. The SHA should publish a notice in local newspapers of general circulation, minority media, and other suitable media outlets that the SHA is reopening the waiting list. Such notice must comply with HUD fair housing requirements. The SHA should specify who may apply, and where and when applications will be received.

SHA Policy

The SHA will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, or certain sites, this information will be contained in the notice. The notice will specify where, when, and how applications are to be received.

The SHA will give public notice by publishing the relevant information in suitable media outlets including, but not limited to:

The Spartanburg Herald Journal

The SHA Website (www.shasc.org)

The SHA Verified Social Media Accounts

4-II.D. FAMILY OUTREACH [24 CFR 903.2(d); 24 CFR 903.7(a) and (b)]

The SHA should conduct outreach as necessary to ensure that the SHA has a sufficient number of applicants on the waiting list to fill anticipated vacancies and to assure that the SHA is affirmatively furthering fair housing and complying with the Fair Housing Act.

Because HUD requires the SHA to serve a specified percentage of extremely low income families, the SHA may need to conduct special outreach to ensure that an adequate number of such families apply for public housing.

SHA outreach efforts must comply with fair housing requirements. This includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

SHA outreach efforts must be designed to inform qualified families about the availability of units under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers
- Developing informational materials and flyers to distribute to other agencies
- Providing application forms to other public and private agencies that serve the low income population
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities

SHA Policy

The SHA will monitor the characteristics of the population being served and the characteristics of the population as a whole in the SHA's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES

SHA Policy

While the family is on the waiting list, the family must inform the SHA, within 10 business days, of changes in family size or composition, preference status, or contact information, including current residence, mailing address, and phone number. The changes must be submitted in writing and can be made by logging in to the applicant or resident portals.

Changes in an applicant's circumstances while on the waiting list may affect the family's qualification for a particular bedroom size or entitlement to a preference. When an applicant reports a change that affects their placement on the waiting list, the waiting list will be updated accordingly.

4-IL.F. UPDATING THE WAITING LIST

HUD requires the SHA-PHA to establish policies to use when removing applicant names from the waiting list [24 CFR 960.202(a)(2)(iv)].

Purging the Waiting List

The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to the SHA's-PHA's request for information or updates because of the family member's disability, the SHA-PHA must, upon the family's request, reinstate the applicant family to their former position on the waiting list as a reasonable accommodation [24 CFR 8.4(a), 24 CFR 100.204(a), and PH Occ GB, p. 39 and 40]. See Chapter 2 for further information regarding reasonable accommodations.

SHA Policy

The waiting list will be updated as needed to ensure that all applicants and applicant information is current and timely.

To update the waiting list, the SHA will send an update request electronically -via or via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that the SHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list.

The family's response must be in writing, signed by the applicant, and may be delivered electronically, in person or by mail. Responses should be postmarked or received by the SHA no later than 10 business days from the date of the SHA letter.

If the family fails to respond within 10 business days, the family will be removed from the waiting list without further notice.

If the notice is returned by the post office with no forwarding address, the applicant will be removed from the waiting list without further notice.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. The family will have 10 business days to respond from the date the letter was re-sent. If the family fails to respond within this time frame, the family will be removed from the waiting list without further notice.

When a family is removed from the waiting list during the update process for failure to respond, no informal hearing will be offered. Such failures to act on the part of the applicant prevent the SHA from making an eligibility determination; therefore no informal hearing is required.

If a family is removed from the waiting list for failure to respond, the SHA may reinstate the family if it is determined that lack of response was due to SHA error, or to circumstances beyond the family's control which can be verified and documented.

Removal from the Waiting List

SHA Policy

The SHA will remove applicants from the waiting list if they have made a written request that their name be removed. In such cases no informal hearing is required.

If the SHA determines that the family is not eligible for admission (see Chapter 3) at any time while the family is on the waiting list the family will be removed from the waiting list.

If a family is removed from the waiting list because the SHA has determined the family is not eligible for admission, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal hearing regarding the SHA's decision (see Chapter 14) [24 CFR 960.208(a)].

PART III: TENANT SELECTION

4-III.A. OVERVIEW

The SHAPHA must establish tenant selection policies for families being admitted to public housing [24 CFR 960.201(a)]. The SHAPHA must not require any specific income or racial quotas for any developments [24 CFR 903.2(d)]. The SHAPHA must not assign persons to a particular section of a community or to a development or building based on race, color, religion, sex, disability, familial status or national origin for purposes of segregating populations [24 CFR 1.4(b)(1)(iii) and 24 CFR 903.2(d)(1)].

The order in which families will be selected from the waiting list depends on the selection method chosen by the SHAPHA and is impacted in part by any selection preferences that the family qualifies for. The availability of units also may affect the order in which families are selected from the waiting list.

The SHAPHA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the SHAPHA's selection policies [24 CFR 960.206(e) (2)]. The SHAPHA's policies must be posted any place where the SHAPHA receives applications. The SHAPHA must provide a copy of its tenant selection policies upon request to any applicant or tenant. The SHAPHA may charge the family for providing a copy of its tenant selection policies [24 CFR 960.202(c) (2)].

SHA Policy

When an applicant or resident family requests a copy of the SHA's tenant selection policies, the SHA will provide copies to them at a minimal fee to be determined by the SHA. However, copies of all policies shall be available for viewing at the SHA Central Office, ~~and~~ site locations, and the SHA website.

4-III.B. SELECTION METHOD

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the ~~SHA-PHA~~ will use.

Local Preferences [24 CFR 960.206]

PHAs are permitted to establish local preferences and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the ~~SHA-PHA~~ to establish other local preferences, at its discretion. Any local preferences established must be consistent with the ~~SHA-PHA~~ plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources [24 CFR 960.206(a)].

SHA Policy

The SHA has chosen to adopt the following preferences: (With the exception of the waiting list for ~~Tobias Campus of Learners~~, Cambridge Place and ~~Serenity at Page Lake Manor~~):

- a. **Displaced:** Applicants who have been involuntarily displaced due to a natural disaster that has caused their current living facility to be uninhabitable. ~~OR SHA action causing displacement in which the unit currently occupied is being demolished, renovated, or otherwise disposed of for homeownership purposes. The SHA shall adhere to Federal and State laws governing displacement of residents in these cases.~~
- b. **Homeless:** Applicants are considered homeless under the HUD definition and if documentation is provided that the family has been residing in a temporary shelter for at least 30 days.
- c. **Disaster:** Federal, State or local government action related to code enforcement, public improvement or development.
- d. ~~**SHA Displaced:** SHA action causing displacement in which the unit currently occupied is being demolished, renovated, or otherwise disposed of for homeownership purposes. The SHA shall adhere to Federal and State laws governing displacement of residents in these cases.~~
- e. **Veterans:** Past or present members of the US Armed Forces, veterans, or surviving spouses of veterans who served in the active military. A copy of the service member's DD 214 Report of Separation.
- f. **Working families:** The head, spouse, co-head or sole member is employed at least 30 hours per week. Families where the head, spouse, or sole member is a person age 62 or older, or is a person with disabilities, will also be given the benefit of the working preference (24 CFR 960.206(b)(2)).
- g. **Elderly/Disabled:** Single elderly, disabled, or handicapped applicants shall be considered as a preference over non-elderly, non-disabled, or non-handicapped single applicants for one bedroom units.

~~Tobias Campus of Learners shall have only one preference:~~

- a. ~~**Working families:** The head, spouse, co-head or sole member is employed at least 30 hours per week. Families where the head, spouse, or sole member is a~~

~~person age 62 or older, or is a person with disabilities, will also be given the benefit of the working preference.~~

Cambridge Place shall have six weighted preferences:

- a. Working Preference: The Head, Spouse, Co-head or sole member is employed at least 30 hours per week. Families where the head, spouse, or sole member is a person age 62 or older, or is a person with disabilities, will also be given the benefit of the working preference.
- b. Credit Worthiness: The Head and/or Spouse must be credit worthy, credit score of 600 or higher.
- c. 80/60 AMI Income Rule: The Head and/or Spouse must meet the 80/60 AMI income rule.
- d. FSS: The Head and/or Spouse must have been or is currently an FSS participant.
- e. Homeownership Institute: The Head and/or Spouse must have been or is currently a Homeowner Institute participant or completed the program.
- f. Target Area: The Head and/or Spouse must demonstrate they have resided in the Northside target area to qualify for this preference.

The Preferences for Cambridge Place shall be weighted according to the table below:

			maximum available points
Working for Head of Household			28
	Two years or more full time	28	
	Less than two years full time	14	
	Less than one year full time	7	
Income for Head of Household			24
	80% AMI	24	
	60% AMI	18	
	50% AMI	12	
	40% AMI	6	
FSS			18
	Three years or more	18	
	Two to Three years	9	
	One to two years	6	
	Less than one year	3	
Credit			14

	650 or above	14	
	550 to 649	7	
	450 to 549	3	
Homeownership Institute			8
Target Area			8
		100	Total

~~Serenity at~~ Page Lake Manor shall have only one (1) preference:

- a. The Head and/or Spouse who are above 62 years of age, elderly only shall be considered as a preference.

For units with accessibility features, an applicant or resident requiring a unit with those accessibility features shall be considered over other applicants or resident transfers.

Income Targeting Requirement [24 CFR 960.202(b)]

HUD requires that extremely low-income (ELI) families make up at least 40% of the families admitted to public housing during the SHA's fiscal year. ELI families are those with annual incomes at or below 30% of the area median income whichever number is higher [Federal Register notice 6/25/14]. To ensure this requirement is met, the SHA may skip non-ELI families on the waiting list in order to select an ELI family.

If a PHA also operates a housing choice voucher (HCV) program, admissions of extremely low-income families to the PHA's HCV program during a PHA fiscal year that exceed the 75 percent minimum target requirement for the voucher program, shall be credited against the PHA's basic targeting requirement in the public housing program for the same fiscal year. However, under these circumstances the fiscal year credit to the public housing program must not exceed the lower of: (1) ten percent of public housing waiting list admissions during the PHA fiscal year; (2) ten percent of waiting list admissions to the PHA's housing choice voucher program during the PHA fiscal year; or (3) the number of qualifying low-income families who commence occupancy during the fiscal year of PHA public housing units located in census tracts with a poverty rate of 30 percent or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.

SHA Policy

The SHA will monitor progress in meeting the ELI requirement throughout the fiscal year. ELI families will be selected ahead of other eligible families on an as-needed basis to ensure that the income targeting requirement is met.

Mixed Population Developments [24 CFR 960.407]

A mixed population development is a public housing development or portion of a development that was reserved for elderly families and disabled families at its inception (and has retained that

character) or the SHA at some point after its inception obtained HUD approval to give preference in tenant selection for all units in the development (or portion of a development) to elderly and disabled families [24 CFR 960.102]. Elderly family means a family whose head, spouse, co head, or sole member is a person who is at least 62 years of age. Disabled family means a family whose head, spouse, co head, or sole member is a person with disabilities [24 CFR 5.403]. The SHA must give elderly and disabled families equal preference in selecting these families for admission to mixed population developments. The SHA may not establish a limit on the number of elderly or disabled families that may occupy a mixed population development. In selecting elderly and disabled families to fill these units, the SHA must first offer the units that have accessibility features for families that include a person with a disability and require the accessibility features of such units. The SHA may not discriminate against elderly or disabled families that include children (Fair Housing Amendments Act of 1988).

The SHA has established the following local admissions preferences for Mixed Population developments consisting of one bedroom units:

- a. Date and time of application pertaining to unit size required
- b. First Priority: Elderly families or disabled families
- c. Second Priority: Near-elderly families
- d. Other single applicants

Units Designated for Elderly or Disabled Families [24 CFR 945]

The SHA may designate projects or portions of a public housing project specifically for elderly or disabled families. The SHA must have a HUD-approved allocation plan before the designation may take place.

Among the designated developments, the PHA must also apply any preferences that it has established. If there are not enough elderly families to occupy the units in a designated elderly development, the PHA may allow near-elderly families to occupy the units [24 CFR 945.303(c)(1)]. Near-elderly family means a family whose head, spouse, or cohead is at least 50 years old, but is less than 62 [24 CFR 5.403].

If there are an insufficient number of elderly families and near-elderly families for the units in a development designated for elderly families, the PHA must make available to all other families any unit that is ready for re-rental and has been vacant for more than 60 consecutive days [24 CFR 945.303(c)(2)].

The decision of any disabled family or elderly family not to occupy or accept occupancy in designated housing shall not have an adverse effect on their admission or continued occupancy in public housing or their position on or placement on the waiting list. However, this protection does not apply to any family who refuses to occupy or accept occupancy in designated housing because of the race, color, religion, sex, disability, familial status, or national origin of the occupants of the designated housing or the surrounding area [24 CFR 945.303(d)(1) and (2)].

This protection does apply to an elderly family or disabled family that declines to accept occupancy, respectively, in a designated project for elderly families or for disabled families, and requests occupancy in a general occupancy project or in a mixed population project [24 CFR 945.303(d)(3)].

SHA Policy

The SHA have designated elderly or designated disabled housing at the following properties: ~~Archibald Rutledge (Village), Gooch Apartments, and Cedar Springs Place~~
1 unit at Cambridge Place

Deconcentration of Poverty and Income-Mixing [24 CFR 903.1 and 903.2]

The SHA's admission policy must be designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects. A statement of the SHA's deconcentration policies must be included in its annual plan [24 CFR 903.7(b)].

The SHA's deconcentration policy must comply with its obligation to meet the income targeting requirement [24 CFR 903.2(c)(5)].

Developments subject to the deconcentration requirement are referred to as 'covered developments' and include general occupancy (family) public housing developments. The following developments are not subject to deconcentration and income mixing requirements: developments operated by a SHA with fewer than 100 public housing units; mixed population or developments designated specifically for elderly or disabled families; developments operated by a SHA with only one general occupancy development; developments approved for demolition or for conversion to tenant-based public housing; and developments approved for a mixed-finance plan using HOPE VI or public housing funds [24 CFR 903.2(b)].

Steps for Implementation [24 CFR 903.2(c)(1)]

To implement the statutory requirement to deconcentrate poverty and provide for income mixing in covered developments, the SHA must comply with the following steps:

Step 1. The SHA must determine the average income of all families residing in all the SHA's covered developments. The SHA may use the median income, instead of average income, provided that the SHA includes a written explanation in its annual plan justifying the use of median income.

SHA Policy

The SHA will determine the average income of all families in all covered developments on an annual basis.

Step 2. The SHA must determine the average income (or median income, if median income was used in Step 1) of all families residing in each covered development. In determining average income for each development, the SHA has the option of adjusting its income analysis for unit size in accordance with procedures prescribed by HUD.

SHA Policy

The SHA will determine the average income of all families residing in each covered development (not adjusting for unit size) on an annual basis.

Step 3. The SHA must then determine whether each of its covered developments falls above, within, or below the established income range (EIR), which is from 85% to 115% of the average family income determined in Step 1. However, the upper limit must never be less than the

income at which a family would be defined as an extremely low income family (30% of median income, whichever number is higher).

Step 4. The SHA with covered developments having average incomes outside the EIR must then determine whether or not these developments are consistent with its local goals and annual plan.

Step 5. Where the income profile for a covered development is not explained or justified in the annual plan submission, the SHA must include in its admission policy its specific policy to provide for deconcentration of poverty and income mixing.

Depending on local circumstances the SHA's deconcentration policy may include, but is not limited to the following:

- Providing incentives to encourage families to accept units in developments where their income level is needed, including rent incentives, affirmative marketing plans, or added amenities
- Targeting investment and capital improvements toward developments with an average income below the EIR to encourage families with incomes above the EIR to accept units in those developments
- Establishing a preference for admission of working families in developments below the EIR
- Skipping a family on the waiting list to reach another family in an effort to further the goals of deconcentration
- Providing other strategies permitted by statute and determined by the SHA in consultation with the residents and the community through the annual plan process to be responsive to local needs and SHA strategic objectives

A family has the sole discretion whether to accept an offer of a unit made under the SHA's deconcentration policy. The SHA must not take any adverse action toward any eligible family for choosing not to accept an offer of a unit under the SHA's deconcentration policy [24 CFR 903.2(c)(4)].

If, at annual review, the average incomes at all general occupancy developments are within the EIR, the SHA will be considered to be in compliance with the deconcentration requirement and no further action is required.

SHA Policy

For developments outside the EIR the SHA will take the following actions to provide for deconcentration of poverty and income mixing:

The SHA will review the waiting list and offers to determine if marketing additional marketing of other properties will allow for transfers.

Order of Selection [24 CFR 960.206(e)]

The ~~SHA-PHA~~ system of preferences may select families either according to the date and time of application or by a random selection process.

SHA Policy

Families will be selected from the waiting list based on date and time of receipt of application, size of unit required, and preference. Among applicants with the same preference, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by the SHA.

When selecting applicants from the waiting list the SHA will match the characteristics of the available unit (unit size, accessibility features, unit type) to the applicants on the waiting lists. The SHA will offer the unit to the highest ranking applicant who qualifies for that unit size or type, or that requires the accessibility features.

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

Factors such as deconcentration or income mixing and income targeting will also be considered in accordance with HUD requirements and SHA policy.

4-III.C. NOTIFICATION OF SELECTION

When the family has been selected from the waiting list, the SHA-PHA must notify the family.

SHA Policy

The SHA will notify the family electronically or by first class mail when it is selected from the waiting list.

The notice will inform the family of the following:

- Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview

- Who is required to attend the interview

- Documents that must be provided at the interview to document the legal identity of household members, including information about what constitutes acceptable documentation

- Documents that must be provided at the interview to document eligibility for a preference, if applicable

- Other documents and information that should be brought to the interview

If a notification letter is returned to the SHA with no forwarding address, the family will be removed from the waiting list without further notice. Such failure to act on the part of the applicant prevents the SHA from making an eligibility determination; therefore no informal hearing will be offered.

If a notification letter is returned to the SHA with a forwarding address, the letter will be changed to reflect the new period of time to respond and will be mailed to the new address indicated.

4-III.D. THE APPLICATION INTERVIEW

HUD recommends that the SHA-PHA obtain the information and documentation needed to make an eligibility determination through a private interview. Being invited to attend an interview does not constitute admission to the program.

Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if the PHA determines that an applicant family is otherwise eligible to participate in the program, the family may retain its place on the waiting list for a period of time determined by the PHA [Notice PIH 2012-10].

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability [24 CFR 8.4(a) and 24 CFR 100.204(a)].

SHA Policy

Families selected from the waiting list are required to participate in an eligibility interview.

All adult family members must attend the interview and sign the housing application. Exceptions may be made for adult students attending school out of state or for members for whom attendance would be a hardship. The head of the household and their spouse, or co-head, is required to attend the interview.

If the head of household cannot attend the interview, the spouse may attend to complete the application and certify for the family. The Head of Household, however, will be required to attend an interview within 5 working days to review the information and to certify by signature that all of the information is complete and accurate.

It is the applicant's responsibility to reschedule the interview if he/she misses the appointment. If the applicant does not reschedule or misses one scheduled meeting, the SHA will reject the application. If an applicant fails to appear for their interview without prior approval of the SHA, their application will be denied unless they can provide acceptable documentation to the SHA that an emergency prevented them from calling or attending.

Reasonable accommodation will be made for persons with a disability who requires an advocate or accessible offices. A designee will be allowed to provide information, but only with permission of the person with a disability.

If the family is claiming a waiting list preference, the family must provide documentation to verify their eligibility for a preference (see Chapter 7). If the family is verified as eligible for the preference, the SHA will proceed with the interview. If the SHA determines the family is not eligible for the preference, the interview will not proceed and the family will be placed back on the waiting list according to the date and time of their application.

The family must provide the information necessary to establish the family's eligibility, including suitability, and to determine the appropriate amount of rent the family will pay. The family must also complete required forms, provide required signatures, and submit

required documentation. If any materials are missing, the SHA will provide the family with a written list of items that must be submitted.

Any required documents or information that the family is unable to provide at the interview must be provided within 10 business days of the interview (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of Social Security numbers and eligible noncitizen status). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial (see Chapter 3).

Pending disclosure and documentation of social security numbers, the PHA will allow the family to retain its place on the waiting list for **10 business days**. If not all household members have disclosed their SSNs at the next time a unit becomes available, the PHA will offer a unit to the next eligible applicant family on the waiting list.

An advocate, interpreter, or other assistant may assist the family with the application and the interview process.

Interviews will be conducted in English. For limited English proficient (LEP) applicants, the SHA will provide translation services in accordance with the SHA's LEP plan.

If the family is unable to attend a scheduled interview, the family must contact the SHA in advance of the interview to schedule a new appointment.

Any second appointment letter will state that failure to appear for the appointment without a request to reschedule will be interpreted to mean that the family is no longer interested and their application will be made inactive. Such failure to act on the part of the applicant prevents the SHA from making an eligibility determination, therefore the SHA will not offer an informal hearing.

4-III.E. FINAL ELIGIBILITY DETERMINATION [24 CFR 960.208]

The ~~SHA-PHA~~ must verify all information provided by the family (see Chapter 7). Based on verified information related to the eligibility requirements, including ~~SHA-PHA~~ suitability standards, the SHA must make a final determination of eligibility (see Chapter 3).

When a determination is made that a family is eligible and satisfies all requirements for admission, including tenant selection criteria, the applicant must be notified of the approximate date of occupancy insofar as that date can be reasonably determined [24 CFR 960.208(b)].

SHA Policy

The SHA will notify a family in writing of their eligibility within 10 business days of the determination and will provide the approximate date of occupancy insofar as that date can be reasonably determined.

The ~~SHA-PHA~~ must promptly notify any family determined to be ineligible for admission of the basis for such determination, and must provide the applicant upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination [24 CFR 960.208(a)].

SHA Policy

If the SHA determines that the family is ineligible, the SHA will send written notification of the ineligibility determination within 10 business days of the determination. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal hearing (see Chapter 14).

If the SHA uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a Notice of Intent to Deny will be issued offering the applicant the opportunity to review and dispute the accuracy and relevance of the information contained within the record prior to denial of the application. See Section 3-III.G. for the SHA's policy regarding such circumstances.

Upon making an eligibility determination, the PHA must provide the family a notice of VAWA rights as well as the HUD VAWA self-certification form (form HUD-5382) in accordance with the Violence against Women Act of 2013, and as outlined in 16-VII.C. The notice and self-certification form must accompany the written notification of eligibility determination. This notice must be provided in both of the following instances: (1) when a family is notified of its eligibility; or (2) when a family is notified of its ineligibility.

Chapter 5

OCCUPANCY STANDARDS AND UNIT OFFERS

INTRODUCTION

The SHAPHA must establish policies governing occupancy of dwelling units and offering dwelling units to qualified families.

This chapter contains policies for assigning unit size and making unit offers. The SHAPHA's waiting list and selection policies are contained in Chapter 4. Together, Chapters 4 and 5 of the ACOP comprise the SHAPHA's Tenant Selection and Assignment Plan (TSAP).

Policies in this chapter are organized in two parts.

Part I: Occupancy Standards. This part contains the SHAPHA's standards for determining the appropriate unit size for families of different sizes and types.

Part II: Unit Offers. This part contains the SHAPHA's policies for making unit offers, and describes actions to be taken when unit offers are refused.

PART I: OCCUPANCY STANDARDS

5-I.A. OVERVIEW

Occupancy standards are established by the SHAPHA to ensure that units are occupied by families of the appropriate size. This policy maintains the maximum usefulness of the units, while preserving them from excessive wear and tear or underutilization. Part I of this chapter explains the occupancy standards. These standards describe the methodology and factors the SHAPHA will use to determine the size unit for which a family qualifies, and includes the identification of the minimum and maximum number of household members for each unit size. This part also identifies circumstances under which an exception to the occupancy standards may be approved.

5-I.B. DETERMINING UNIT SIZE

In selecting a family to occupy a particular unit, the **SHAPHA** may match characteristics of the family with the type of unit available, for example, number of bedrooms [24 CFR 960.206(c)].

HUD does not specify the number of persons who may live in public housing units of various sizes. PHAs are permitted to develop appropriate occupancy standards as long as the standards do not have the effect of discriminating against families with children [PH Occ GB, p. 62].

Although the **SHAPHA** does determine the size of unit the family qualifies for under the occupancy standards, the **SHAPHA** does not determine who **shaPHA**res a bedroom/sleeping room.

The **SHAPHA**'s occupancy standards for determining unit size must be applied in a manner consistent with fair housing requirements.

SHA Policy

The SHA will use the same occupancy standards for each of its developments.

The SHA shall not consider unborn children or children in the process of adoption when determining the unit size.

The SHA's occupancy standards are as follows:

The SHA will assign one bedroom for each two persons within the household, except in the following circumstances:

Persons of the opposite sex (other than spouses, and children under age 5) will not be required to share a bedroom.

Persons of different generations will not be required to share a bedroom.

Live-in aides will be allocated a separate bedroom. No additional bedrooms will be provided for the live-in aide's family.

Single person families will be allocated a zero or one bedroom.

Foster children will be included in determining unit size.

The **SHA-PHA** will reference the following standards in determining the appropriate unit bedroom size for a family:

BEDROOM SIZE	MINIMUM NUMBER OF PERSONS	MAXIMUM NUMBER OF PERSONS
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	6	10

6	8	12
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5-I.C. EXCEPTIONS TO OCCUPANCY STANDARDS

Types of Exceptions

SHA Policy

The SHA will consider granting exceptions to the occupancy standards at the family's request if the SHA determines the exception is justified by the relationship, age, sex, health or disability of family members, or other personal circumstances.

For example, an exception may be granted if a larger bedroom size is needed for medical equipment due to its size and/or function, or as a reasonable accommodation for a person with disabilities. An exception may also be granted for a smaller bedroom size in cases where the number of household members exceeds the maximum number of persons allowed for the unit size in which the family resides (according to the chart in Section 5-I.B) and the family does not want to transfer to a larger size unit.

When evaluating exception requests the PHA will consider the size and configuration of the unit. In no case will the PHA grant an exception that is in violation of local housing or occupancy codes, regulations or laws.

Requests from applicants to be placed on the waiting list for a unit size smaller than designated by the occupancy standards will be approved as long as the unit is not overcrowded according to local code, and the family agrees not to request a transfer for a period of two years from the date of admission, unless they have a subsequent change in family size or composition.

To prevent vacancies, the PHA may provide an applicant family with a larger unit than the occupancy standards permit. However, in these cases the family must agree to move to a suitable, smaller unit when another family qualifies for the larger unit and there is an appropriate size unit available for the family to transfer to.

Processing of Exceptions

SHA Policy

All requests for exceptions to the occupancy standards must be submitted in writing.

In the case of a request for exception as a reasonable accommodation, the SHA will encourage the resident to make the request in writing using a reasonable accommodation request form. However, the SHA will consider the exception request any time the resident indicates that an accommodation is needed whether or not a formal written request is submitted.

Requests for a larger size unit must explain the need or justification for the larger size unit, and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source, unless the disability and the disability-related request for accommodation is readily apparent or otherwise known.

The SHA will notify the family of its decision within 10 business days of receiving the family's request.

PART II: UNIT OFFERS

24 CFR 1.4(b)(2)(ii); 24 CFR 960.208

5-II.A. OVERVIEW

The SHA-PHA must assign eligible applicants to dwelling units in accordance with a plan that is consistent with civil rights and nondiscrimination.

In filling an actual or expected vacancy, the SHA-PHA must offer the dwelling unit to an applicant in the appropriate sequence. The SHA-PHA will offer the unit until it is accepted. This section describes the SHA's-PHA's policies with regard to the number of unit offers that will be made to applicants selected from the waiting list. This section also describes the SHA's-PHA's policies for offering units with accessibility features.

SHA Policy

The SHA will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection.

5-II.B. NUMBER OF OFFERS

SHA Policy

The SHA has adopted a two offer plan for offering units to applicants. The SHA will determine the locations within its inventory that have an available unit of suitable size and type. Under this plan, the SHA shall select the next eligible applicant based on the date and time of applicant, unit size required, and any applicable preference. If the offer is rejected by the applicant without good cause, the application will be placed at the bottom of the waiting list. If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy.

Rejection of a unit without a determination of “good cause” as further detailed within Section 5-II.D. of this policy will result in any preference being removed pending the second offer. Rejection of a unit, however, will have no affect on any other waiting list for which the applicant has applied with the SHA.

5-II.C. TIME LIMIT FOR UNIT OFFER ACCEPTANCE OR REFUSAL

SHA Policy

Applicants must accept or refuse a unit offer within two (2) business days of the date of the unit offer.

Offers made by telephone will be confirmed in writing by letter or the Unit Offer Form.

The SHA shall not hold a unit open due to the applicant's inability to procure required utilities in the unit.

5-II.D. REFUSALS OF UNIT OFFERS

Good Cause for Unit Refusal

An elderly or disabled family may decline an offer for designated housing. Such a refusal must not adversely affect the family's position on or placement on the public housing waiting list [24 CFR 945.303(d)].

SHA Policy

Applicants may refuse to accept a unit offer for "*good cause*." *Good cause* includes situations in which an applicant is willing to move but is unable to do so at the time of the unit offer, or the applicant demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the applicant's race, color, national origin, etc. [PH Occ GB, p. 104]. Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

Inaccessibility to source of employment, education, or job training, children's day care, or educational program for children with disabilities, 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 the SHA's satisfaction that accepting the offer will place a family member's life, health or safety in jeopardy. The family should 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

A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (as listed on final application) or live-in aide necessary to the care of the principal household member

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.

The unit has lead-based paint and the family includes children under the age of six.

In the case of a unit refusal for good cause the applicant will not be removed from the waiting list as described later in this section. The applicant will remain at the top of the waiting list until the family receives an offer for which they do not have good cause to refuse.

The SHA-PHA will require documentation of good cause for unit refusals.

Unit Refusal Without Good Cause

SHA Policy

When an applicant rejects the final unit offer without good cause, the SHA will remove the applicant's name from the waiting list and send notice to the family of such removal. The notice will inform the family of their right to request an informal hearing and the process for doing so (see Chapter 14).

The applicant may reapply for assistance when the waiting list is open, however, may not be considered for any preference if they have been selected and rejected two unit offers during the prior six month period. If the waiting list is not open, the applicant must wait to reapply until the SHA opens the waiting list.

5-II.E. ACCESSIBLE UNITS [24 CFR 8.27]

PHAs must adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with disabilities, and take reasonable nondiscriminatory steps to maximize the utilization of such units by eligible individuals whose disability requires the accessibility features of a particular unit.

When an accessible unit becomes vacant, before offering such units to a non-disabled applicant the SHA-PHA must offer such units:

- First, to a current resident of another unit of the same development, or other public housing development under the SHA's-PHA's control, who has a disability that requires the special features of the vacant unit and is occupying a unit not having such features, or if no such occupant exists, then
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

When offering an accessible unit to an applicant not having a disability requiring the accessibility features of the unit, the SHA-PHA may require the applicant to agree (and may incorporate this agreement in the lease) to move to a non-accessible unit when available.

SHA Policy

Families requiring an accessible unit may be over-housed in such a unit if there are no resident or applicant families of the appropriate size who also require the accessible features of the unit.

When there are no resident or applicant families requiring the accessible features of the unit, including families who would be over-housed, the SHA will offer the unit to a non-disabled applicant.

When offering an accessible unit to a non-disabled applicant, the SHA will require the applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the non-disabled family. This requirement will be a provision of the lease agreement.

5-II.F. DESIGNATED HOUSING

When applicable, the SHA's-PHA's policies for offering units designated for elderly families only or for disabled families only are described in the SHA's-PHA's Designated Housing Plan.

Chapter 6

INCOME AND RENT DETERMINATIONS

[24 CFR Part 5, Subparts E and F; 24 CFR 960, Subpart C]

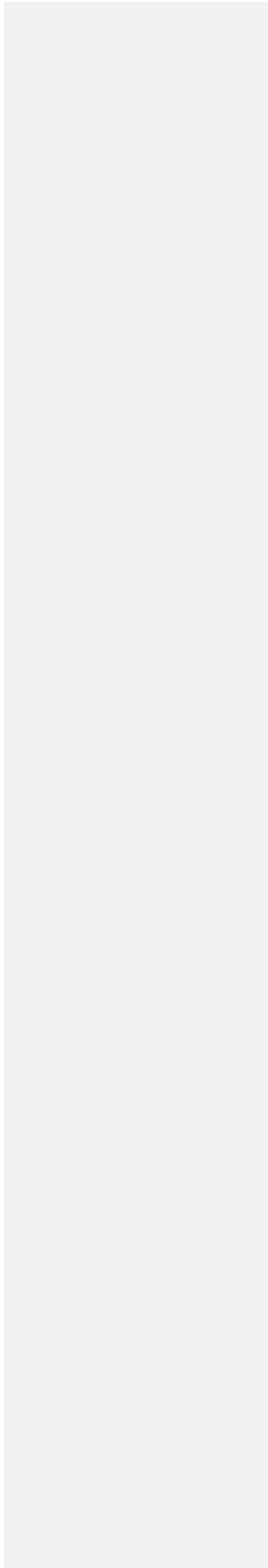
INTRODUCTION

A family's annual income ~~determines-is used to determine~~ eligibility for assistance for the public housing program and is also used to calculate the amount of the family's rent payment. The SHAPHA will use the policies and methods described in this chapter to ensure that only income eligible families receive assistance and that no family pays more or less rent than ~~its obligation is~~ required under the regulations. This chapter describes HUD regulations and SHAPHA policies related to these topics in three parts as follows:

Part I: Annual Income. HUD regulations specify the sources of income to include and exclude to arrive at a family's annual income. These requirements and SHAPHA policies for calculating annual income are found in Part I.

Part II: Adjusted Income. Once annual income has been established HUD regulations require the SHAPHA to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and SHAPHA policies for calculating adjusted income are found in Part II.

Part III: Calculating Rent. This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining family rent payment. Also included here are flat rents and the family's choice in rents.



PART I: ANNUAL INCOME

6-I.A. OVERVIEW

The general regulatory definition of *annual income* shown below is from 24 CFR 5.609.

5.609 Annual income.

(a) Annual income means all amounts, monetary or not, which:

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph [5.609(c)].

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

In addition to this general definition, HUD regulations establish policies for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:

- Annual Income Inclusions (Exhibit 6-1)
- Annual Income Exclusions (Exhibit 6-2)
- Treatment of Family Assets (Exhibit 6-3)
- Earned Income Disallowance (Exhibit 6-4)
- The Effect of Welfare Benefit Reduction (Exhibit 6-5)

Sections 6-I.B and 6-I.C discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income. HUD regulations present income inclusions and exclusions separately [24 CFR 5.609(b) and 24 CFR 5.609(c)]. In this ACOP, however, the discussions of income inclusions and exclusions are integrated by topic (e.g., all policies affecting earned income are discussed together in section 6-I.D). Verification requirements for annual income are discussed in Chapter 7.

6-I.B. HOUSEHOLD COMPOSITION AND INCOME

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

Summary of Income Included and Excluded by Person	
Live-in aides	Income from all sources is excluded [24 CFR 5.609(c)(5)].
Foster child or foster adult	Income from all sources is excluded [24 CFR 5.609(a)(1)].
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included.
Children under 18 years of age	Employment income is excluded [24 CFR 5.609(c)(1)]. All other sources of income, except those specifically excluded by the regulations, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	Employment income above \$480/year is excluded [24 CFR 5.609(c)(11)]. All other sources of income, except those specifically excluded by the regulations, are included.

Temporarily Absent Family Members

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit [HCV GB, p. 5-18].

SHA Policy

~~An~~ **Generally an** individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. **Generally Aa**n individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

SHA Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the SHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

Absences Due to Placement in Foster Care

Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403].

SHA Policy

If a child has been placed in foster care, the SHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

Absent Head, Spouse, or Cohead

SHA Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

Individuals Confined for Medical Reasons

SHA Policy

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member.

If there is a question about the status of a family member, the SHA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

Joint Custody of Children

SHA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or resident family 50 percent or more of the time.

When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the SHA will make the determination based on available documents such as court orders, ~~or~~ an IRS income tax return showing which family has claimed the child for income tax purposes, school records or other credible documentation.

Caretakers for a Child

SHA Policy

The approval of a caretaker is at the SHA's discretion and subject to the SHA's screening criteria. If neither a parent nor a designated guardian remains in a household receiving assistance, the SHA will take the following actions.

If a responsible agency has determined that another adult is to be brought into the unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.

If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the SHA will extend the caretaker's status as an eligible visitor.

At any time that custody or guardianship legally has been awarded to a caretaker, the lease will be transferred to the caretaker, as head of household.

During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

6-I.C. ANTICIPATING ANNUAL INCOME

The SHA-PHA is required to count all income “anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date” [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

Basis of Annual Income Projection

The SHA-PHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the SHA-PHA to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB, p. 5-17]
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]
- The SHA-PHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

PHAs are required to use HUD’s Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].

HUD allows PHAs to use tenant-provided documents to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where the PHA does not determine it is necessary to obtain additional third-party data.

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SHA Policy

~~When the SHA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the SHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income. Anytime current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the SHA to show why the historic pattern does not represent the family’s anticipated income.~~

~~Up-Front Income Verification (UIV) and Income Projection (PIH 2010-19, 24 CFR 5.233, 24 CFR 5.236, 24 CFR 908.101)~~

SHA Policy

~~SHA requires the use of the Enterprise Income Verification (EIV) system in accordance with HUD directives in order to verify tenant household employment and income information during annual and interim recertifications. The SHA shall review the EIV Income Report of each family before or during the annual and inter-reexaminations of family income and composition to reduce under reporting of income and improper subsidy payments. This is considered to be automated written third-party verification.~~

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When EIV is obtained and the family does not dispute the EIV employer data, the SHA will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, the SHA will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.

The SHA will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:

If EIV or other UIV data is not available,

If the family disputes the accuracy of the EIV employer data, and/or

If the SHA determines additional information is needed.

In such cases, the SHA will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the SHA annualized projected income.

When the SHA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the SHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.

Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the SHA to show why the historic pattern does not represent the family's anticipated income.

The EIV shall be used to:

- a. Identify tenants whose reported personal identifiers do not match the SSA database;
- b. Identify tenants who need to disclose a SSN
- c. Identify tenants whose alternate identification number needs to be replaced with a SSN
- d. Identify tenants who may not have reported complete and accurate income information
- e. Identify tenants who have started a new job
- f. Identify tenants who may be receiving duplicate rental assistance
- g. Identify tenants who are deceased and possibly continuing to receive rental assistance
- h. Identify former tenants of rental assistance programs who voluntarily or involuntarily left the program and have a reportable adverse status and/or owe money to another PHA or Section 8 landlord

The verification hierarchy shall be used as follows in order to verify income for participating residents and applicants:

1. HUD's EIV system
2. Upfront Income Verification using a non-HUD system
3. Written third Party verification. This method shall be mandatory to supplement EIV-reported income sources and when EIV has no data. It is also mandatory for non-EIV reported income sources, when the tenant disputes EIV-reported employment and income information and is unable to provide acceptable documentation to support the dispute.
4. Written third party verification form. This method is mandatory if written third party verification documents are not available or rejected by the SHA and when the applicant or tenant is unable to provide acceptable documentation.
5. Oral Third Party Verification. Mandatory if written third party verification is not available.
6. Tenant Declaration. This method is used only as a last resort.

In the event that third party verification is not available, the SHA shall document in the family file the reason(s) why third party verification was not available.

EIV shall be sufficient documentation of employment income when coupled with tenant-provided documents of validation.

The SHA shall request written third party verification under the following circumstances:

1. When the tenant disputes the EIV information and is unable to provide acceptable documentation to support the dispute.
2. When the SHA requires additional information that is not available in EIV and/or the tenant is unable to provide the SHA with current acceptable tenant-provided documentation. For example:
 - a. Effective dates of income (i.e. employment, unemployment compensation, or social security benefits)

- b. For new employment: pay rate, number of hours worked per week, pay frequency, etc
- c. Confirmation of change in circumstances (i.e. reduced hours, reduced rate of pay, temporary leave of absence, etc.)

For each new admission or historical adjustment, the SHA shall:

- a. Review the EIV Income Report to confirm and validate family-reported income within 120 days of the PIC submission date
- b. Print and maintain a copy of the EIV Income Report in the tenant file: and
- c. Resolve any income discrepancy with the family within 60 days of the EIV Income Report date.

For each interim recertification, the SHA shall have the following documentation in the tenant file:

- a. ICN Page when there is no household income discrepancy noted on the EIV
- b. EIV Income Report when there is an income discrepancy noted on the household's Income Discrepancy Report.

For each annual recertification of family income and composition, the SHA shall have the following documentation in the tenant file:

- a. No Dispute of EIV Information signed by the resident with current acceptable tenant-provided documentation, and only if necessary, traditional third party verification.
- b. Disputed EIV Information signed by the resident with current acceptable tenant-provided documentation and/or traditional third party verification for the disputed information
- c. Tenant-reported income not verifiable through the EIV system with current tenant-provided documents, and if necessary, third party verification form(s).

The SHA shall generate the following EIV reports monthly:

- 1. Deceased Tenants Report
- 2. Identity Verification Report
- 3. Immigration Report

The SHA shall generate the following EIV reports on a quarterly basis:

- 1. Income Discrepancy Report
- 2. Multiple Subsidy Report
- 3. New Hires Report

In the event the information contained within the EIV system is in error, the resident must address the issue directly with the source provider.

Findings of underreporting of income shall be addressed by the SHA in accordance with PIH Notice 2010-19

Privacy Protection:

In accordance with PIH Notice 2010-15, the collection, maintenance, use, and dissemination of SSNs, EINs, and information derived from SSNs, EINs, and income information shall be conducted, to the extent applicable, in compliance with the Privacy Act (5 U.S.C. 552a) and all other provisions of Federal, State and local law.

SHA Policy:

All applicants shall be provided with a Privacy Act Notice at the time of application. All residents shall be provided with a Privacy Act notice at each annual income recertification.

The SHA shall maintain only such information about individuals that is relevant and necessary to accomplish its purpose. All individual's information shall have appropriate administrative, technical, and physical safeguards to protect the information.

In verifying income of individuals, the name and last four digits of the social security number will be used on the verification forms. (i.e.: xxx-xx-1111)

Known Changes in Income

If the SHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

Example: An employer reports that a full-time employee who has been receiving \$8/hour will begin to receive \$8.25/hour in the eighth week after the effective date of the reexamination. In such a case the SHA would calculate annual income as follows: $(\$8/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}) + (\$8.25 \times 40 \text{ hours} \times 45 \text{ weeks})$.

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the SHA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if the SHA's policy on reexaminations does not require interim reexaminations for other types of changes.

When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.

Projecting Income

In HUD's EIV webcast of January 2008, HUD made clear that SHAs are not to use EIV quarterly wages to project annual income.

6-I.D. EARNED INCOME

Types of Earned Income Included in Annual Income

Wages and Related Compensation [24 CFR 5.609(b)(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 is included in annual income.

SHA Policy

For persons who regularly receive bonuses or commissions, the SHA will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, the SHA will use the prior year amounts. In either case the family may provide, and the SHA will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the SHA will count only the amount estimated by the employer. The file will be documented appropriately.

Some Types of Military Pay

All regular pay, special pay and allowances of a member of the Armed Forces are counted [24 CFR 5.609(b)(8)] except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(c)(7)].

Types of Earned Income Not Counted in Annual Income

Temporary, Nonrecurring, or Sporadic Income [24 CFR 5.609(c)(9)]

This type of income (including gifts) is not included in annual income.

SHA Policy

Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.

Children's Earnings [24 CFR 5.609(c)(1)]

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income. (See Eligibility chapter for a definition of *foster children*.)

Certain Earned Income of Full-Time Students

Earnings in excess of \$480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted [24 CFR 5.609(c)(11)]. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB, p. 5-29].

Income of a Live-in Aide

Income earned by a live-in aide, as defined in [24 CFR 5.403], is not included in annual income [24 CFR 5.609(c)(5)]. (See Eligibility chapter for a full discussion of live-in aides.)

Income Earned under Certain Federal Programs [24 CFR 5.609(c)(17)]

Income from some federal programs is specifically excluded from consideration as income, including:

- Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
- ~~Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b))~~
- Awards under the federal work-study program (20 U.S.C. 1087 uu)
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- Allowances, earnings, and payments to participants in programs funded under the Workforce Investment Act of 1998 (29 U.S.C. 2931)

Resident Service Stipend [24 CFR 5.600(c)(8)(iv)]

Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed \$200 per individual per month) received by a resident for performing a service for the SHA, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the SHA's governing board. No resident may receive more than one such stipend during the same period of time.

State and Local Employment Training Programs

Incremental earnings and benefits to any family member resulting from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program [24 CFR 5.609(c)(8)(v)].

SHA Policy

The SHA defines *training program* as “a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual’s ability to obtain employment. It may have performance standards to measure proficiency. Training may include, but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education” [expired Notice PIH 98-2, p. 3].

The SHA defines *incremental earnings and benefits* as the difference between (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3–4].

In calculating the incremental difference, the SHA will use as the pre-enrollment income the total annualized amount of the family member’s welfare assistance and earnings reported on the family’s most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with the SHA's interim reporting requirements (see chapter on reexaminations).

HUD-Funded Training Programs

Amounts received under training programs funded in whole or in part by HUD [24 CFR 5.609(c)(8)(i)] are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.

SHA Policy

To qualify as a training program, the program must meet the definition of *training program* provided above for state and local employment training programs.

Earned Income Tax Credit. Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)), are excluded from annual income [24 CFR 5.609(c)(17)]. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee's payroll check.

Earned Income Disallowance. The earned income disallowance is discussed in section 6-I.E below.

6-I.E. EARNED INCOME DISALLOWANCE [24 CFR 960.255; Streamlining Final Rule (SFR) Federal Register 3/8/16]

The earned income disallowance (EID) encourages people to enter the work force by not including the full value of increases in earned income for a period of time. The full text of 24 CFR 960.255 is included as Exhibit 6-4 at the end of this chapter. Eligibility criteria and limitations on the disallowance are summarized below.

Eligibility

This disallowance applies only to individuals in families already participating in the public housing program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes a person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.
- Increased earnings by a family member whose earnings increase during participation in an economic self-sufficiency or job-training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work to such families [24 CFR 5.603(b)].
- New employment or increased earnings by a family member who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months. If the benefits are received in the form of monthly maintenance, there is no minimum amount. If the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies, or transportation assistance, the total amount received over the six-month period must be at least \$500.

Calculation of the Disallowance

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her ~~"prior income."~~ "baseline income" The family member's baseline income is his or her income immediately prior to qualifying for the EID. The family member's baseline income remains constant throughout the period that he or she is participating in the EID.

SHA Policy

~~The SHA defines prior income, or prequalifying income, as the family member's last certified income prior to qualifying for the EID.~~

~~The family member's prior, or prequalifying, income remains constant throughout the period that he or she is receiving the EID.~~

While qualification for the disallowance is the same for all families, calculation of the disallowance will differ depending on when the family member qualified for the EID. Residents qualifying prior to May 9, 2016 will have the disallowance calculated under the "Original Calculation Method" described below, which requires a maximum lifetime disallowance period of up to 48 consecutive months. Residents qualifying on or after May 9, 2016 will be subject to the "Revised Calculation Method," which shortens the lifetime disallowance period to 24 consecutive months.

Under both the original and new methods, the EID eligibility criteria, the benefit amount, the single lifetime eligibility requirement and the ability of the applicable family member to stop and restart employment during the eligibility period are the same.

Original Calculation Method

Initial 12-Month Exclusion

During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.

SHA Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

Second 12-Month Exclusion and Phase-In

During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.

Lifetime Limitation

The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and Section 8 assistance, or if there are breaks in assistance.

SHA Policy

During the 48-month eligibility period, the SHA will conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below his/her prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period).

Revised Calculation Method

Initial 12-Month Exclusion

During the initial exclusion period of 12 consecutive months, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded.

PHA Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

Second 12-Month Exclusion

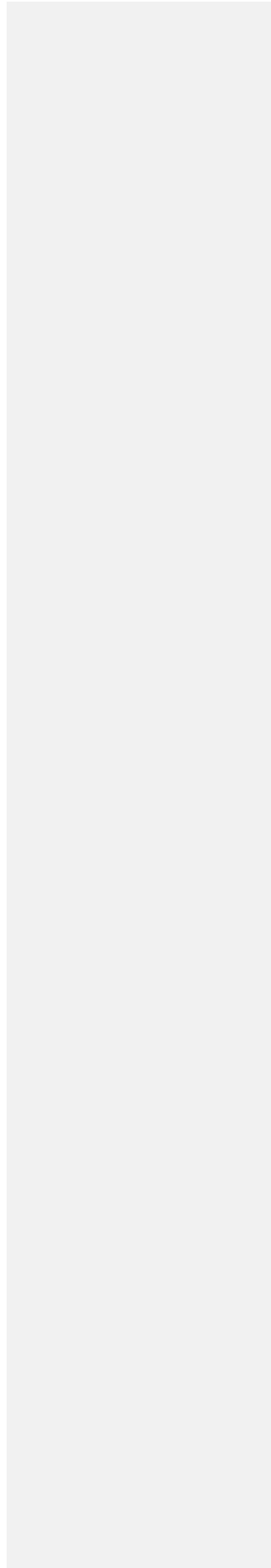
During the second exclusion period of 12 consecutive months, the PHA must exclude at least 50 percent of any increase in income attributable to employment or increased earnings.

PHA Policy

During the second 12-month exclusion period, the PHA will exclude 100 percent of any increase in income attributable to new employment or increased earnings.

Lifetime Limitation

The EID has a two-year (24-month) lifetime maximum. The two-year eligibility period begins at the same time that the initial exclusion period begins and ends 24 months later. During the 24-month period, an individual remains eligible for EID even if they receive assistance from a different housing agency, move between public housing and Section 8 assistance, or have breaks in assistance.



Individual Savings Accounts [24 CFR 960.255(d)]

SHA Policy

The SHA chooses not to establish a system of individual savings accounts (ISAs) for families who qualify for the EID.

6-I.F. BUSINESS INCOME [24 CFR 5.609(b)(2)]

Annual income includes “the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family” [24 CFR 5.609(b)(2)].

Business Expenses

Net income is “gross income less business expense” [HCV GB, p. 5-19].

SHA Policy

To determine business expenses that may be deducted from gross income, the SHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described below.

Business Expansion

HUD regulations do not permit the SHA to deduct from gross income expenses for business expansion.

SHA Policy

Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

Capital Indebtedness

HUD regulations do not permit the SHA to deduct from gross income the amortization of capital indebtedness.

SHA Policy

Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the SHA will allow as a business expense interest, but not principal, paid on capital indebtedness.

Negative Business Income

If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

Withdrawal of Cash or Assets from a Business

HUD regulations require the SHA to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

SHA Policy

Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of a tenant family provided an up-front loan of \$2,000 to help a business get started, the SHA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

Co-owned Businesses

SHA Policy

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

6-I.G. ASSETS [24 CFR 5.609(b)(3) and 24 CFR 5.603(b)]

Overview

There is no asset limitation for participation in the public housing program. However, HUD requires that the SHA include in annual income the anticipated “interest, dividends, and other net income of any kind from real or personal property” [24 CFR 5.609(b)(3)]. This section discusses how the income from various types of assets is determined. For most types of assets, the SHA must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:

- How the value of the asset will be determined
- How income from the asset will be calculated

Exhibit 6-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6-3 provides the regulatory definition of *net family assets*. This section begins with a discussion of general policies related to assets and then provides HUD rules and SHA policies related to each type of asset.

[Optional policies for family self-certification of assets are found in Chapter 7](#)

General Policies

Income from Assets

The SHA generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, HUD authorizes the SHA to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) the SHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, the SHA can take into consideration past rental income along with the prospects of obtaining a new tenant.

SHA Policy

Any time current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to the SHA to show why the asset income determination does not represent the family’s anticipated asset income.

Valuing Assets

The calculation of asset income sometimes requires the SHA to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth in the market (e.g., the amount a buyer would pay for real estate or the ~~balance~~ total value of ~~in~~ an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

SHA Policy

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions [HCV GB, p. 5-28 and PH Occ GB, p. 121].

Lump-Sum Receipts

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account) [RHIIP FAQs]. (For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6-I.H and 6-I.I.)

Imputing Income from Assets [24 CFR 5.609(b)(3), Notice PIH 2012-29]

When net family assets are \$5,000 or less, the SHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, the SHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by ~~the current HUD established~~ an average passbook savings rate as determined by the SHA.

- Note: The HUD field office no longer provides an interest rate for imputed asset income. The “safe harbor” is now for the SHA to establish a passbook rate within 0.75 percent of a national average.
- The SHA must review its passbook rate annually to ensure that it remains within 0.75 percent of the national average.

SHA Policy

The SHA will initially set the imputed asset passbook rate at the national rate established by the Federal Deposit Insurance Corporation (FDIC).

The SHA will review the passbook rate annually, in December of each year. The rate will not be adjusted unless the current SHA rate is no longer within 0.75 percent of the national rate. If it is no longer within 0.75 percent of the national rate, the passbook rate will be set at the current national rate.

Changes to the passbook rate will take effect on February 1 following the December review.

Determining Actual Anticipated Income from Assets

It may or may not be necessary for the SHA to use the value of an asset to compute the actual anticipated income from the asset. When the value is required to compute the anticipated income from an asset, the market value of the asset is used. For example, if the asset is a property for which a family receives rental income, the anticipated income is determined by annualizing the actual monthly rental amount received for the property; it is not based on the property's market value. However, if the asset is a savings account, the anticipated income is determined by multiplying the market value of the account by the interest rate on the account.

Withdrawal of Cash or Liquidation of Investments

Any withdrawal of cash or assets from an investment will be included in income except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a family member retires, the amount received by the family from a retirement investment plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement ~~fund~~investment plan.

Jointly Owned Assets

The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes “amounts derived (during the 12-month period) from assets to which any member of the family has access.”

SHA Policy

If an asset is owned by more than one person and any family member has unrestricted access to the asset, the SHA will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, the SHA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, the SHA will prorate the asset evenly among all owners.

Assets Disposed Of for Less than Fair Market Value [24 CFR 5.603(b)]

HUD regulations require the SHA to count as a current asset any business or family asset that was disposed of for less than fair market value during the two years prior to the effective date of the examination/reexamination, except as noted below.

Minimum Threshold

The SHA may set a threshold below which assets disposed of for less than fair market value will not be counted [HCV GB, p. 5-27].

SHA Policy

The SHA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$1,000.

When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual recertifications, the family may request an interim recertification to eliminate consideration of the asset(s).

Assets placed by the family in nonrevocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

Separation or Divorce

The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or tenant receives important consideration not measurable in dollar terms.

SHA Policy

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

Foreclosure or Bankruptcy

Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale.

Family Declaration

SHA Policy

Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. The SHA may verify the value of the assets disposed of if other information available to the SHA does not appear to agree with the information reported by the family.

Types of Assets

Checking and Savings Accounts

For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero.

SHA Policy

In determining the value of a checking account, the SHA will use the average monthly balance for the last six months.

In determining the value of a savings account, the SHA will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, the SHA will multiply the value of the account by the current rate of interest paid on the account.

Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

SHA Policy

In determining the market value of an investment account, the SHA will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), the SHA will calculate asset income based on the earnings for the most recent reporting period.

Equity in Real Property or Other Capital Investments

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25 and PH, p. 121].

SHA Policy

In determining the equity, the SHA will determine market value by examining recent sales of at least three properties in the surrounding or similar neighborhood that possess comparable factors that affect market value.

The SHA will first use the payoff amount for the loan (mortgage) as the unpaid balance to calculate equity. If the payoff amount is not available, the SHA will use the basic loan balance information to deduct from the market value in the equity calculation.

Equity in real property and other capital investments is considered in the calculation of asset income except for the following types of assets:

- Equity accounts in HUD homeownership programs [24 CFR 5.603(b)]
- Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6-I.F.
- Interests in Indian Trust lands [24 CFR 5.603(b)]
- Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25]
- The PHA must also deduct from the equity the reasonable costs for converting the asset to cash. Using the formula for calculating equity specified above, the net cash value of real property is the market value of the loan (mortgage) minus the expenses to convert to cash [Notice PIH 2012-3].
- SHA Policy
- For the purposes of calculating expenses to convert to cash for real property, the SHA will use ten percent of the market value of the home.

A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.

In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

SHA Policy

In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless the SHA determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

Trusts

A *trust* is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

Revocable Trusts

If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset [HCV GB, p. 5-25]. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

Nonrevocable Trusts

In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate [24 CFR 5.603(b)]. (Periodic payments are covered in section 6-I.H. Lump-sum receipts are discussed earlier in this section.)

Retirement Accounts

Company Retirement/Pension Accounts

In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, the SHA must know whether the money is accessible before retirement [HCV GB, p. 5-26].

While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset [HCV GB, p. 5-26].

After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate [HCV GB, p. 5-26], except to the extent that it represents funds invested in the account by the family member. (For more on periodic payments, see section 6-I.H.) The balance in the account is counted as an asset only if it remains accessible to the family member.

IRA, Keogh, and Similar Retirement Savings Accounts

IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty [HCV GB, p. 5-25].

Personal Property

Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset [HCV GB, p. 5-25].

SHA Policy

In determining the value of personal property held as an investment, the SHA will use the family's estimate of the value. The SHA may obtain an appraisal if there is reason to believe that the family's estimated value is off by \$50 or more. The family must cooperate with the appraiser but cannot be charged any costs related to the appraisal.

Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

Necessary items of personal property are not considered assets [24 CFR 5.603(b)].

SHA Policy

Necessary personal property consists of only those items not held as an investment. It may include clothing, furniture, household furnishings, jewelry, and vehicles, including those specially equipped for persons with disabilities.

Life Insurance

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

6-I.H. PERIODIC PAYMENTS

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

Periodic Payments Included in Annual Income

- Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)].
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14]

Lump-Sum Payments for the Delayed Start of a Periodic Payment

Most lump sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income ~~[CFR 5.609(b)(4)]~~. Additionally, any deferred disability benefits that are received in a lump sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income ~~[FR Notice 11/24/08]~~ 24 CFR 5.609(c)(14)

SHA Policy

When a delayed-start payment is received and reported during the period in which the SHA is processing an annual reexamination, the SHA will adjust the tenant rent retroactively for the period the payment was intended to cover. The family may pay in full any amount due or request to enter into a repayment agreement with the SHA.

See the chapter on reexaminations for information about a family's obligation to report lump-sum receipts between annual reexaminations.

Treatment of Overpayment Deductions from Social Security Benefits

The PHA must make a special calculation of annual income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, the PHA must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount [Notice PIH 2012-10].

Periodic Payments Excluded from Annual Income

- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone) [24 CFR 5.609(c)(2)]. Kinship care payments are considered equivalent to foster care payments and are also excluded from annual income [Notice PIH 2012-1].

SHA Policy

The SHA will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency [HCV GB, p. 5-18].

- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts received under the Low-Income Home Energy Assistance Program (42 U.S.C. 1626(c)) [24 CFR 5.609(c)(17)]
- Amounts received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q) [24 CFR 5.609(c)(17)]
- Earned Income Tax Credit (EITC) refund payments (26 U.S.C. 32(j)) [24 CFR 5.609(c)(17)].
Note: EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer.
- Lump sums received as a result of delays in processing Social Security and SSI payments (see section 6-I.J.) [24 CFR 5.609(b)(4)].
- Lump-sums or prospective monthly amounts received as deferred disability benefits from the Department of Veterans Affairs (VA) [24 CFR 5.609(c)(14)].

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6-I.I. PAYMENTS IN LIEU OF EARNINGS

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as income [24 CFR 5.609(b)(5)] if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts [24 CFR 5.609(c)(3)]. (See also the discussion of periodic payments in section 6-I.H and the discussion of lump-sum receipts in section 6-I.G.)

6-I.J. WELFARE ASSISTANCE

Overview

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments [24 CFR 5.603(b)].

Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]

The SHA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6-5. The requirements are summarized below. This rule applies only if a family was a public housing resident at the time the sanction was imposed.

Covered Families

The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a State or other public agency (‘welfare agency’) under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance” [24 CFR 5.615(b)]

Imputed Income

When a welfare agency imposes a sanction that reduces a family’s welfare income because the family commits fraud or fails to comply with the agency’s economic self-sufficiency program or work activities requirement, the SHA must include in annual income “imputed” welfare income.

The SHA must request that the welfare agency inform provide the SHA when reason for the reduction of -the benefits of a public housing resident are reduced and the amount of the reduction of benefits. The imputed welfare income is the amount the family would have received if the family had not been sanctioned. That the benefits were reduced as a result of the sanction

This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

For special procedures related to grievance hearings based upon the SHA’s denial of a family’s request to lower rent when the family experiences a welfare benefit reduction, see Chapter 14, Grievances and Appeals.

Offsets

The amount of the imputed welfare income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

6-I.K. PERIODIC AND DETERMINABLE ALLOWANCES [24 CFR 5.609(b)(7)]

Annual income includes periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing with a tenant family.

Alimony and Child Support

The SHA must count alimony or child support amounts awarded as part of a divorce or separation agreement.

SHA Policy

The SHA will count court-awarded amounts for alimony and child support unless the SHA verifies that (1) the payments are not being made and ~~have not been made for a period of 12 months or longer.~~(2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing ~~the~~ event payments, [HCV GB, pp. 5-23 and 5-47], have been made erratically during the previous year, and show no recent history of being made on schedule, the SHA shall average the amount received during the last year for the income calculation.

Voluntary Child Support:

In the event that voluntary child support is being provided to the family, the SHA shall require a third party written certification from the provider.

Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

Regular Contributions or Gifts

The SHA must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with a tenant family [24 CFR 5.609(b)(7)]. Temporary, nonrecurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].

SHA Policy

Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by the SHA. For contributions that may vary from month to month (e.g., utility payments), the SHA will include an average amount based upon past history.

6-I.L. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME

Other exclusions contained in 24 CFR 5.609(c) and updated by FR Notice 5/20/14 that have not been discussed earlier in this chapter include the following:

- Reimbursement of medical expenses [24 CFR 5.609(c)(4)]
- The full amount of student financial assistance paid directly to the student or to the educational institution [24 CFR 5.609(c)(6)].

SHA Policy

Regular financial support from parents or guardians to students for food, clothing personal items, and entertainment **is not** considered student financial assistance and is included **in** annual income.

- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(8)(iii)]
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(c)(8)(ii)]
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(c)(10)]
- Adoption assistance payments in excess of \$480 per adopted child [24 CFR 5.609(c)(12)]
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(c)(15)]
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17), FR Notice 5/20/14]. HUD publishes an updated list of these exclusions periodically. It includes:
 - (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
 - (b) Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC
 - ~~Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)~~
 - (c) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
 - (d) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
 - ~~(de)~~ Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)

- (ef) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
- (fg) Payments received under programs funded in whole or in part under the ~~Job Training Partnership Act (29 U.S.C. 1552(b))~~ (Effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931).)
- (h) Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts
- (gi) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)
- (j) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b))
- (k) A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010
- (hl) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)
- (m) Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs)
- (jn) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- (ko) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in In Re Agent-product liability litigation, M.D.L. No. 381 (E.D.N.Y.)
- (p) Payments received under 38 U.S.C. 1833(c) to children of Vietnam veterans born with spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spinal bifida
- (kq) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
- ~~(q) Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805)~~
- ~~(mr) 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 U.S.C. 9858q)~~
- ~~(sn) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))~~

- (t) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)
- (u) 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 U.S.C. 1087uu) For Section 8 programs, the exception found in § 237 of Public Law 109-249 applies and requires that the amount of financial assistance in excess of tuition shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109-249)
- (v) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- ~~(j) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))~~
- ~~(k) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in In Re Agent product liability litigation, M.D.L. No. 381 (E.D.N.Y.)~~
- ~~(l) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)~~
- ~~(m) 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 U.S.C. 9858q)~~
- ~~(n) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))~~
- ~~(o) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)~~
- ~~(p) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))~~
- ~~(q) Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805)~~
- (w) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)
- ~~(s) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931)~~
- (x) Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002

- (y) Payments made from the proceeds of Indian tribal trust cases as described in Notice PIH 2013-30, "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 U.S.C. 117b(a))
- (z) Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations

PART II: ADJUSTED INCOME

6-II.A. INTRODUCTION

Overview

HUD regulations require PHAs to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income. Mandatory deductions are found in 24 CFR 5.611.

5.611(a) Mandatory deductions. In determining adjusted income, the responsible entity (SHA) must deduct the following amounts from annual income:

- (1) \$480 for each dependent;
- (2) \$400 for any elderly family or disabled family;
- (3) The sum of the following, to the extent the sum exceeds three percent of annual income:
 - (i) Unreimbursed medical expenses of any elderly family or disabled family;
 - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Chapter 7, Verifications.

Anticipating Expenses

SHA Policy

Generally, the SHA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and nonschool periods and cyclical medical expenses), the SHA will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, the SHA will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. The SHA may require the family to provide documentation of payments made in the preceding year.

6-II.B. DEPENDENT DEDUCTION

~~A deduction~~An allowance of \$480 is ~~taken~~deducted from annual income for each dependent [24 CFR 5.611(a)(1)]. *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

6-II.C. ELDERLY OR DISABLED FAMILY DEDUCTION

A single deduction of \$400 is taken for any elderly or disabled family [24 CFR 5.611(a)(2)]. An *elderly family* is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a *disabled family* is a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

6-II.D. MEDICAL EXPENSES DEDUCTION [24 CFR 5.611(a)(3)(i)]

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income.

The medical expense deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted [VG, p. 28].

Definition of *Medical Expenses*

HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean “medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.”

SHA Policy

The most current IRS Publication 502, *Medical and Dental Expenses*, will be used as a reference to determine the costs that qualify as medical expenses.

Summary of Allowable Medical Expenses from IRS Publication 502	
Services of medical professionals	Substance abuse treatment programs
Surgery and medical procedures that are necessary, legal, noncosmetic	Psychiatric treatment
Services of medical facilities	Ambulance services and some costs of transportation related to medical expenses
Hospitalization, long-term care, and in-home nursing services	The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth)
Prescription medicines and insulin, but <u>not</u> nonprescription medicines even if recommended by a doctor	Cost and continuing care of necessary service animals
Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails)	Medical insurance premiums or the cost of a health maintenance organization (HMO)
Note: This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.	

Families That Qualify for Both Medical and Disability Assistance Expenses

SHA Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the SHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-II.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed three percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

SHA Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, the SHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When the SHA determines that the disability assistance expenses enable more than one family member to work, the disability assistance expenses will be capped by the sum of the family members’ incomes [PH Occ GB, p. 124].

Eligible Disability Expenses

Examples of auxiliary apparatus are provided in the *PH Occupancy Guidebook* as follows:

“Auxiliary apparatus: Including wheelchairs, walkers, scooters, reading devices for persons with visual disabilities, equipment added to cars and vans to permit their use by the family member with a disability, or service animals” [PH Occ GB, p. 124], but only if these items are directly related to permitting the disabled person or other family member to work [HCV GB, p. 5-30].

HUD advises PHAs to further define and describe auxiliary apparatus [VG, p. 30].

Eligible Auxiliary Apparatus

SHA Policy

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

Eligible Attendant Care

The family determines the type of attendant care that is appropriate for the person with disabilities.

SHA Policy

Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the SHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Payments to Family Members

No disability expenses may be deducted for payments to a member of a tenant family [23 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the tenant family may be deducted if they are reimbursed by an outside source.

Necessary and Reasonable Expenses

The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

SHA Policy

The SHA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the SHA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the SHA will consider, the family's justification for costs that exceed typical costs in the area.

Families That Qualify for Both Medical and Disability Assistance Expenses

SHA Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the SHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-II.F. CHILD CARE EXPENSE DEDUCTION

HUD defines *child care expenses* at 24 CFR 5.603(b) as “amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”

Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family’s household [VG, p. 26]. However, child care expenses for foster children that are living in the assisted family’s household, are included when determining the family’s child care expenses.

Qualifying for the Deduction

Determining Who Is Enabled to Pursue an Eligible Activity

SHA Policy

The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family’s request, the SHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

SHA Policy

If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member’s efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member’s job search efforts are not commensurate with the child care expense being allowed by the SHA.

Furthering Education

SHA Policy

If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

Being Gainfully Employed

SHA Policy

If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Child Care Expense Deduction

When a family member looks for work or furthers his or her education, there is no cap on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person’s earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, child care expenses are limited to \$5,000.

The SHA must not limit the deduction to the least expensive type of child care. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

SHA Policy

When the child care expense being claimed is to enable a family member to work, only one family member’s income will be considered for a given period of time. When more than one family member works during a given period, the SHA generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

Eligible Child Care Expenses

The type of care to be provided is determined by the tenant family. The SHA may not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care [VG, p. 26].

Allowable Child Care Activities

SHA Policy

For school-age children, ~~less than 13 years of age~~, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, the SHA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Necessary and Reasonable Costs

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

SHA Policy

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, the SHA will use ~~a comparison of child care agencies in the area or a schedule~~ the schedule of child care costs from the local welfare agency. Families may present, and the SHA will consider, justification for costs that exceed typical costs in the area.

6-II.G. PERMISSIVE DEDUCTIONS [24 CFR 5.611(b)(1)]

Permissive deductions are additional, optional deductions that may be applied to annual income. As with mandatory deductions, permissive deductions must be based on need or family circumstance and deductions must be designed to encourage self-sufficiency or other economic purpose. If the SHA offers permissive deductions, they must be granted to all families that qualify for them and should complement existing income exclusions and deductions [PH Occ GB, p. 128].

The *Form HUD-50058 Instruction Booklet* states that the maximum allowable amount for total permissive deductions is less than \$90,000 per year.

SHA Policy

The SHA has opted not to use permissive deductions.

PART III: CALCULATING RENT

6-III.A. OVERVIEW OF INCOME-BASED RENT CALCULATIONS

The first step in calculating income-based rent is to determine each family's total tenant payment (TTP). Then, if the family is occupying a unit that has tenant-paid utilities, the utility allowance is subtracted from the TTP. The result of this calculation, if a positive number, is the tenant rent. If the TTP is less than the utility allowance, the result of this calculation is a negative number, and is called the utility reimbursement, which may be paid to the family or directly to the utility company by the SHA.

TTP Formula [24 CFR 5.628]

HUD regulations specify the formula for calculating the total tenant payment (TTP) for a tenant family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10 percent of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between \$0 and \$50 that is established by the SHA

The SHA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6-III.B.

Welfare Rent [24 CFR 5.628]

SHA Policy

Welfare rent does not apply in this locality.

Minimum Rent [24 CFR 5.630]

SHA Policy

The minimum rent for this locality is \$50.

Optional Changes to Income-Based Rents [24 CFR 960.253(c)(2) and PH Occ GB, pp. 131-134]

PHAs have been given very broad flexibility to establish their own, unique rent calculation systems as long as the rent produced is not higher than that calculated using the TTP and mandatory deductions. At the discretion of the SHA, rent policies may structure a system that uses combinations of permissive deductions, escrow accounts, income-based rents, and the required flat and minimum rents.

The SHA's minimum rent and rent choice policies still apply to affected families. Utility allowances are applied to SHA designed income-based rents in the same manner as they are applied to the regulatory income-based rents.

The choices are limited only by the requirement that the method used not produce a TTP or tenant rent greater than the TTP or tenant rent produced under the regulatory formula.

SHA Policy

The SHA chooses not to adopt optional changes to income-based rents.

Ceiling Rents [24 CFR 960.253 (c)(2) and (d)]

Ceiling rents are used to cap income-based rents. They are part of the income-based formula. If the calculated TTP exceeds the ceiling rent for the unit, the ceiling rent is used to calculate tenant rent (ceiling rent/TTP minus utility allowance). Increases in income do not affect the family since the rent is capped. The use of ceiling rents fosters upward mobility and income mixing.

Because of the mandatory use of flat rents, the primary function of ceiling rents now is to assist families who cannot switch back to flat rent between annual reexaminations and would otherwise be paying an income-based tenant rent that is higher than the flat rent.

Ceiling rents must be set to the level required for flat rents (which will require the addition of the utility allowance to the flat rent for properties with tenant-paid utilities) [PH Occ GB, p. 135].

SHA Policy

The SHA chooses not to use ceiling rents.

Utility Reimbursement [24 CFR 960.253(c)(3)]

Utility reimbursement occurs when any applicable utility allowance for tenant-paid utilities exceeds the TTP. HUD permits the SHA to pay the reimbursement to the family or directly to the utility provider.

SHA Policy

If the cost of utilities (excluding telephone) is not included in the Tenant Rent, a utility allowance will be deducted from the total tenant payment. The Utility Allowance is intended to help defray the cost of utilities not included in the rent. The allowances are based on the monthly cost of reasonable consumption of utilities in an energy conservative household, not on a family's actual consumption.

When the Utility Allowance exceeds the family's Total Tenant Payment, the SHA will provide a Utility Reimbursement Payment for the family. The check will be made out directly to the tenant.

Resident-Paid Utilities:

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

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 the cost of utilities and ensures adequate heat in the winter. If the family is receiving TANF, the SHA will encourage the family to consider a vendor payment plan for rent and utilities.

When a resident makes application for utility service in his/her own name, he or she must sign a third party notification agreement so that the SHA will be notified if the resident fails to pay the utility bill resulting in disconnection of service to the unit.

If a resident or applicant is unable to get utilities connected due to a previous balance owed to the utility company, the resident/applicant will not be permitted to move into a unit with resident paid utilities. This may mean that a current resident cannot transfer to a specific site or that an applicant cannot be admitted to the program.

Paying the utility bill is the resident's obligation under the lease. Failure to pay utilities is grounds for lease termination.

6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]

SHA Policy

The financial hardship rules described below apply in this jurisdiction because the SHA has established a minimum rent of \$50.

Overview

If the PHA establishes a minimum rent greater than zero, the PHA must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship.

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the SHA determines that a hardship exists, the TTP is the highest of the remaining components of the family's calculated TTP.

HUD-Defined Financial Hardship

Financial hardship includes the following situations:

- (1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

SHA Policy

A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.

For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

- (2) The family would be evicted because it is unable to pay the minimum rent.

SHA Policy

For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent or tenant-paid utilities.

- (3) Family income has decreased because of changed family circumstances, including the loss of employment.

- (4) A death has occurred in the family.

SHA Policy

In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

- (5) The family has experienced other circumstances determined by the SHA.

SHA Policy

The SHA has not established any additional hardship criteria.

Implementation of Hardship Exemption

Determination of Hardship

When a family requests a financial hardship exemption, the SHA must suspend the minimum rent requirement beginning the first of the month following the family's request.

The SHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

SHA Policy

The SHA defines temporary hardship as a hardship expected to last 90 days or less. Long term hardship is defined as a hardship expected to last more than 90 days.

The SHA may not evict the family for nonpayment of minimum rent during the 90-day period beginning the month following the family's request for a hardship exemption.

When the minimum rent is suspended, the TTP reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

Example: Impact of Minimum Rent Exemption	
Assume the SHA has established a minimum rent of \$35.	
TTP – No Hardship	TTP – With Hardship
\$0 30% of monthly adjusted income	\$0 30% of monthly adjusted income
\$15 10% of monthly gross income	\$15 10% of monthly gross income
N/A Welfare rent	N/A Welfare rent
\$35 Minimum rent	\$35 Minimum rent
Minimum rent applies. TTP = \$35	Hardship exemption granted. TTP = \$15

SHA Policy

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent.

The SHA will make the determination of hardship within 30 calendar days.

No Financial Hardship

If the SHA determines there is no financial hardship, the SHA will reinstate the minimum rent and require the family to repay the amounts suspended.

For procedures pertaining to grievance hearing requests based upon the SHA's denial of a hardship exemption, see Chapter 14, Grievances and Appeals.

SHA Policy

The SHA will require the family to repay the suspended amount within 30 calendar days of the SHA's notice that a hardship exemption has not been granted.

Temporary Hardship

If the SHA determines that a qualifying financial hardship is temporary, the SHA must reinstate the minimum rent from the beginning of the first of the month following the date of the family's request for a hardship exemption.

The family must resume payment of the minimum rent and must repay the SHA the amounts suspended. HUD requires the SHA to offer a reasonable repayment agreement, on terms and conditions established by the SHA. The SHA also may determine that circumstances have changed and the hardship is now a long-term hardship.

For procedures pertaining to grievance hearing requests based upon the SHA's denial of a hardship exemption, see Chapter 14, Grievances and Appeals.

SHA Policy

The SHA will enter into a repayment agreement in accordance with the SHA's repayment agreement policy (see Chapter 16).

Long-Term Hardship

If the SHA determines that the financial hardship is long-term, the SHA must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

SHA Policy

The hardship period ends when any of the following circumstances apply:

- (1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.
- (2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.
- (3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

6-III.C. UTILITY ALLOWANCES [24 CFR 965, Subpart E]

Overview

Utility allowances are provided to families paying income-based rents when the cost of utilities is not included in the rent. When determining a family's income-based rent, the SHA must use the utility allowance applicable to the type of dwelling unit leased by the family.

For policies on establishing and updating utility allowances, see Chapter 16.

Reasonable Accommodation [24 CFR 8]

On request from a family, PHAs must approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family with a disability [PH Occ GB, p. 172].

Residents with disabilities 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 [PH Occ GB, p. 172].

See Chapter 2 for policies related to reasonable accommodations.

Utility Allowance Revisions [24 CFR 965.507]

The SHA must review its schedule of utility allowances each year. Between annual reviews, the SHA must revise the utility allowance schedule if there is a rate change that by itself or together with prior rate changes not adjusted for, results in a change of 10 percent or more from the rate on which such allowances were based. Adjustments to resident payments as a result of such changes must be retroactive to the first day of the month following the month in which the last rate change taken into account in such revision became effective [PH Occ GB, p. 171].

The tenant rent calculations must reflect any changes in the SHA's utility allowance schedule [24 CFR 960.253(c)(3)].

SHA Policy

Unless the SHA is required to revise utility allowances retroactively, revised utility allowances will be applied to a family's rent calculations at the first annual reexamination after the allowance is adopted.

6-III.D. PRORATED RENT FOR MIXED FAMILIES [24 CFR 5.520]

HUD regulations prohibit assistance to ineligible family members. A *mixed family* is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. The SHA must prorate the assistance provided to a mixed family. The SHA will first determine TTP as if all family members were eligible and then prorate the rent based upon the number of family members that actually are eligible. To do this, the SHA must:

- (1) Subtract the TTP from ~~at the flat -maximum~~ rent applicable to the unit. The result is the maximum subsidy for which the family could qualify if all members were eligible.
- (2) Divide the family maximum subsidy by the number of persons in the family to determine the maximum subsidy per each family member who is eligible (member maximum subsidy).
- (3) Multiply the member maximum subsidy by the number of eligible family members.
- (4) Subtract the subsidy calculated in the last step from the ~~maximum-flat~~ rent. This is the prorated TTP.
- (5) Subtract the utility allowance for the unit from the prorated TTP. This is the prorated rent for the mixed family.
- (6) When the mixed family's TTP is greater than the applicable flat rent, use the TTP as the prorated TTP. The prorated TTP minus the utility allowance is the prorated rent for the mixed family.

SHA Policy

Revised public housing maximum rents will be applied to a family's rent calculation at the first annual reexamination after the revision is adopted.

~~For policies related to the establishment of the public housing maximum rent see Chapter 16.~~

6-III.E. FLAT RENTS AND FAMILY CHOICE IN RENTS [24 CFR 960.253]

Flat Rents [24 CFR 960.253(b)]

The flat rent is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.

~~There is no utility allowance or reimbursement with flat rents. When the family elects to pay the flat rent, the flat rent amount quoted to the family by the SHA is the amount the family pays.~~

Changes in family income, expenses, or composition will not affect the flat rent amount because it is outside the income-based formula.

Policies related to the reexamination of families paying flat rent are contained in Chapter 9, and policies related to the establishment and review of flat rents are contained in Chapter 16.

Family Choice in Rents [24 CFR 960.253(a) and (e)]

Once each year, the SHA must offer families the choice between a flat rent and an income-based rent. The family may not be offered this choice more than once a year. The SHA must document that flat rents were offered to families under the methods used to determine flat rents for the SHA.

SHA Policy

The annual SHA offer to a family of the choice between flat and income-based rent will be conducted upon admission and upon each subsequent annual reexamination.

The SHA will require families to submit their choice of flat or income-based rent in writing and will maintain such requests in the tenant file as part of the admission or annual reexamination process.

The SHA must provide sufficient information for families to make an informed choice. This information must include the SHA's policy on switching from flat rent to income-based rent due to financial hardship and the dollar amount of the rent under each option. However, if the family chose the flat rent for the previous year the SHA is required to provide an income-based rent amount only in the year that a reexamination of income is conducted or if the family specifically requests it and submits updated income information.

Switching from Flat Rent to Income-Based Rent Due to Hardship [24 CFR 960.253(f)]

A family can opt to switch from flat rent to income-based rent at any time if they are unable to pay the flat rent due to financial hardship. If the SHA determines that a financial hardship exists, the SHA must immediately allow the family to switch from flat rent to the income-based rent.

SHA Policy

Upon determination by the SHA that a financial hardship exists, the SHA will allow a family to switch from flat rent to income-based rent effective the first of the month following the family's request.

Reasons for financial hardship include:

- The family has experienced a decrease in income because of changed circumstances, including loss or reduction of employment, death in the family, or reduction in or loss of earnings or other assistance
- The family has experienced an increase in expenses, because of changed circumstances, for medical costs, child care, transportation, education, or similar items
- Such other situations determined by the SHA to be appropriate

SHA Policy

The SHA considers payment of flat rent to be a financial hardship whenever the switch to income-based rent would be lower than the flat rent [PH Occ GB, p. 137].

Change Phasing in Flat Rents [Notice PIH 2015-13; 24 CFR 960.253(b)]

SHA Policy

~~Changes to flat rents, up or down, will not affect families paying flat rent until their next annual flat rent offer, at which time the family will be given the choice of switching back to income-based rent or of remaining on flat rent at the current (most recently adjusted) flat rent for their unit [PH Occ GB, pp. 137-138].~~

When new flat rents requirements were implemented in 2014, HUD limited the increase for existing residents paying flat rent at that time to no more than 35 percent of the current tenant rent per year. In some cases, this meant that some residents had or will have their flat rents phased-in at the time of their annual recertification. To do this, PHAs conduct a flat rent impact analysis to determine whether a phase-in is or was necessary. For families whose flat rent is being phased-in, the PHA must multiply the family's current rent amount by 1.35 and compare the result to the flat rent under the PHA's policies. Families who have subsequently been admitted to the program or have subsequently selected flat rent will not experience a phase-in. Notice PIH 2015-13 requires that flat rents must be phased in at the full 35 percent per year. PHAs do not have the option of phasing in flat rent increases at less than 35 percent per year.

Example: A family was paying a flat rent of \$500 per month. At their annual recertification, the PHA has increased the flat rent for their unit size to comply with the new requirements to \$700. The PHA conducted a flat rent impact analysis as follows:

$$\underline{\$500 \times 1.35 = \$675}$$

Since the PHA's increased flat rent of \$700 resulted in a rent increase of more than 35 percent, the PHA offered the family the choice to pay either \$675 per month or an income-based rent. The flat rent increase was phased in. At their next annual recertification in November 2015, the PHA will again multiply the family's current flat rent by 1.35 and compare the results to the PHA's current flat rent.

Flat Rents and Earned Income Disallowance [A&O FAQs]

Because the EID is a function of income-based rents, a family paying flat rent cannot qualify for the EID even if a family member experiences an event that would qualify the family for the EID. If the family later chooses to pay income-based rent, they would only qualify for the EID if a new qualifying event occurred.

~~A-Under the EID original calculation method, a~~ family currently paying flat rent that previously qualified for the EID while paying income-based rent and is currently within their ~~48-month~~exclusion period would have the ~~12-cumulative months of full (100 percent) and PHA~~se in (50 percent) exclusion period continue while paying flat rent as long as the employment that is the subject of the exclusion continues, ~~and the 48-month lifetime limit would continue uninterrupted~~. A family paying flat rent could therefore see a family member's ~~48-month-lifetime~~exclusion period limit expire while the family is paying flat rent.

Flat Rents and Mixed Families [A&O FAQs]

~~Mixed families electing to pay flat rent must first have a flat rent worksheet completed to see if the flat rent must be prorated. The worksheet is located in Appendix III of the Form HUD-50058 Instruction Booklet.~~

~~If the flat rent is greater than or equal to the public housing maximum rent, there is no proration of flat rent and the family pays the flat rent for the unit.~~

~~If the flat rent is less than the maximum rent, the worksheet will calculate a prorated flat rent. The mixed family will pay the prorated flat rent.~~

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EXHIBIT 6-1: ANNUAL INCOME INCLUSIONS

24 CFR 5.609

(a) Annual income means all amounts, monetary or not, which:

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
- (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- (3) Which are not specifically excluded in paragraph (c) of this section.
- (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) Annual income includes, but is not limited to:

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments.

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31¹; and

(B) Are not otherwise excluded under paragraph (c) of this section.

¹ Text of 45 CFR 260.31 follows (next page).

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

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

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

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

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section)

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

HHS DEFINITION OF "ASSISTANCE"

45 CFR: GENERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

260.31 What does the term "assistance" mean?

(a)(1) The term "assistance" includes cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

(2) It includes such benefits even when they are:

(i) Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and

(ii) Conditioned on participation in work experience or community service (or any other work activity under 261.30 of this chapter).

(3) Except where excluded under paragraph (b) of this section, it also includes supportive services such as transportation and child care provided to families who are not employed.

(b) [The definition of "assistance"] excludes: (1) Nonrecurrent, short-term benefits that:

(i) Are designed to deal with a specific crisis situation or episode of need;

(ii) Are not intended to meet recurrent or ongoing needs; and

(iii) Will not extend beyond four months.

(2) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

(3) Supportive services such as child care and transportation provided to families who are employed;

(4) Refundable earned income tax credits;

(5) Contributions to, and distributions from, Individual Development Accounts;

(6) Services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and

(7) Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of [the Social Security] Act, to an individual who is not otherwise receiving assistance

EXHIBIT 6-2: ANNUAL INCOME EXCLUSIONS

24 CFR 5.609

(c) *Annual income does not include the following:*

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant 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 and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in Sec. 5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) (i) Amounts received under training programs funded by HUD;
- (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the SHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the SHA's governing board. No resident may receive more than one such stipend during the same period of time;
- (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
- (9) Temporary, nonrecurring or sporadic income (including gifts);
- (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (12) Adoption assistance payments in excess of \$480 per adopted child;
- (13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to SHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See the following chart for a list of benefits that qualify for this exclusion.]

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EXHIBIT 6-3: TREATMENT OF FAMILY ASSETS

24 CFR 5.603(b) Net Family Assets

(1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

(2) 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 under Sec. 5.609.

(3) In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

(4) For purposes of determining annual income under Sec. 5.609, the term "net family assets" does not include the value of a home currently being purchased with assistance under part 982, subpart M of this title. This exclusion is limited to the first 10 years after the purchase date of the home.

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EXHIBIT 6-4: EARNED INCOME DISALLOWANCE

24 CFR 960.255 Self-sufficiency incentive–Disallowance of increase in annual income.

(a) *Definitions.* The following definitions apply for purposes of this section.

Baseline income. The annual income immediately prior to implementation of the disallowance described in paragraph (c)(1) of this section of a person who is a member of a qualified family.

Disallowance. Exclusion from annual income.

Previously unemployed includes a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Qualified family. A family residing in public housing:

- (i) Whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment;
- (ii) Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
- (iii) Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the SHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance—provided that the total amount over a six-month period is at least \$500.

(b) *Disallowance of increase in annual income.*

(1) *Initial twelve month exclusion.* During the 12-month period beginning on the date on which a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the

SHA must exclude from the annual income (as defined in § 5.609 of this title) of a qualified family any increase in the income of the family member as a result of employment over the baseline income of that family member.

(2) *SHAse-in of rent increase.* Upon the expiration of the 12-month period defined in paragraph (b)(1) of this section and for the subsequent 12-month period, the SHA must exclude from the annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income.

(3) *Maximum 2-year disallowance.* The disallowance of increased income of an individual family member as provided in paragraph (b)(1) or (b)(2) of this section is limited to a lifetime 24-month period. It applies for a maximum of 12 months for disallowance under paragraph (b)(1) of this section and a maximum of 12 months for disallowance under paragraph (b)(2) of this section, during the 24-month period starting from the initial exclusion under paragraph (b)(1) of this section.

(4) *Effect of changes on currently participating families.* Families eligible for and participating in the disallowance of earned income under this section prior to May 9, 2016 will continue to be governed by this section in effect as it existed immediately prior to that date.

(c) *Inapplicability to admission.* The disallowance of increases in income as a result of employment under this section does not apply for purposes of admission to the program (including the determination of income eligibility and income targeting).

(d) *Individual Savings Accounts*. As an alternative to the disallowance of increases in income as a result of employment described in paragraph (b) of this section, a SHA may choose to provide for individual savings accounts for public housing residents who pay an income-based rent, in accordance with a written policy, which must include the following provisions:

- (1) The SHA must advise the family that the savings account option is available;
- (2) At the option of the family, the SHA must deposit in the savings account the total amount that would have been included in tenant rent payable to the SHA as a result of increased income that is disallowed in accordance with paragraph (b) of this section;
- (3) Amounts deposited in a savings account may be withdrawn only for the purpose of:

- (i) Purchasing a home;
- (ii) Paying education costs of family members;
- (iii) Moving out of public or assisted housing; or
- (iv) Paying any other expense authorized by the SHA for the purpose of promoting the economic self-sufficiency of residents of public housing;
- (4) The SHA must maintain the account in an interest bearing investment and must credit the family with the net interest income, and the SHA may not charge a fee for maintaining the account;
- (5) At least annually the SHA must provide the family with a report on the status of the account; and
- (6) If the family moves out of public housing, the SHA shall pay the tenant any balance in the account, minus any amounts owed to the SHA

EXHIBIT 6-5: THE EFFECT OF WELFARE BENEFIT REDUCTION

24 CFR 5.615

Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.

(a) Applicability. This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

(b) Definitions. The following definitions apply for purposes of this section:

Covered families. Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

Economic self-sufficiency program. See definition at Sec. 5.603.

Imputed welfare income. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

Specified welfare benefit reduction.

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

(2) "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

(c) Imputed welfare income.

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the SHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the SHA, the welfare agency will inform the SHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the SHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The SHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the SHA's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the SHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The SHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

(d) Review of SHA decision.

(1) Public housing. If a public housing tenant claims that the SHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the SHA denies the family's request to modify such amount, the SHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the SHA determination of the amount of imputed welfare income. The SHA notice shall also state that if the tenant does not agree with the SHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the SHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the SHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the SHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the SHA denies the family's request to modify such amount, the SHA shall give the family written notice of such denial, with a brief

explanation of the basis for the SHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the SHA determination, the family may request an informal hearing on the determination under the SHA hearing procedure.

(e) SHA relation with welfare agency.

(1) The SHA must ask welfare agencies to inform the SHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the SHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The SHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the SHA. However, the SHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The SHA shall be entitled to rely on the welfare agency notice to the SHA of the welfare agency's determination of a specified welfare benefits reduction.

Chapter 7

VERIFICATION

[24 CFR 960.259, 24 CFR 5.230, [Notice PIH 2010-19](#)]

INTRODUCTION

The [SHAPHA](#) must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain [written authorization from the family in order family's consent](#) to collect the information. Applicants and [program participantstenants](#) must cooperate with the verification process as a condition of receiving assistance. The [SHAPHA](#) must not pass on the cost of verification to the family.

The [SHAPHA](#) will follow the verification guidance provided by HUD in [PIH Notice PIH 2010-192004-01 Verification Guidance \("VG"\)](#) and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary [SHAPHA](#) policies.

Part I describes the general verification process. [Part II provides moreMore](#) detailed requirements related to [individual factors are provided in subsequent parts including](#) family information. ~~(Part III provides information onH)~~, income and assets, ~~(Part III)~~, and [Part IV covers](#) mandatory deductions. ~~(Part IV)~~.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies established by the [SHAPHA](#).

PART I: GENERAL VERIFICATION REQUIREMENTS

7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION

[24 CFR 960.259, 24 CFR 5.230]

The family must supply any information that the [SHAPHA](#) or HUD determines is necessary to the administration of the program and must consent to [SHAPHA](#) verification of that information [24 CFR 960.259(a)(1)].

Consent Forms

It is required that all adult applicants and tenants sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the [SHAPHA](#) may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

Penalties for Failing to Consent [24 CFR 5.232]

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If any family member who is required to sign a consent form fails to do so, the [SHAPHA](#) will deny admission to applicants and terminate the lease of tenants. The family may request a hearing in accordance with the [SHAPHA](#)'s grievance procedures.

7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS

HUD's Verification Hierarchy [Notice PIH 2010-19VG, p. 11-14]

HUD ~~mandates~~^{authorizes} the ~~SHAPHA~~ the use ~~of the EIV system and offers administrative guidance on the use of other~~^{five} methods to verify family information and specifies the circumstances in which each method will be used. In general, HUD requires the ~~SHAPHA~~ to use the most reliable form of verification that is available and to document the reasons when the ~~SHAPHA~~ uses a lesser form of verification.

SHA Policy

In order of priority, the forms of verification that the SHA will use are:

~~Up front HUD's EIV system with tenant provided documentation~~

- ~~Upfront~~ Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
- Up-front Income Verification (UIV) using a non-HUD system
- Written Third Party Verification (may be provided by applicant or resident)
- Written Third-party Verification Form
- Oral Third-party Verification
- Self-Certification

~~Each of the verification methods is discussed in subsequent sections below.~~

- ~~Written third Party verification. This method shall be mandatory to supplement EIV reported income sources and when EIV has not data. It is also mandatory for non-EIV reported income sources, when the tenant disputes EIV reported employment and income information and is unable to provide acceptable documentation to support the dispute.~~
- ~~Written third party verification form. This method is mandatory if written third party verification documents are not available or rejected by the SHA and when the applicant or tenant is unable to provide acceptable documentation.~~
- ~~Oral Third Party Verification. Mandatory if written third party verification is not available.~~
- ~~Tenant Declaration. This method is used only as a last resort.~~

Requirements for Acceptable Documents

SHA Policy

Any documents used for verification must be the original (not photocopies) and generally must be dated within 60 ~~calendar~~ days of the date they are provided to the SHA. The documents must not be damaged, altered or in any way illegible.

~~The SHA will accept documents dated up to 6 months before the effective date of the family's reexamination if the document represents the most recent scheduled report from~~

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~~a source. For example, if the holder of a pension annuity provides semi-annual reports, the SHA would accept the most recent report.~~

Print-outs from web pages are considered original documents.

The SHA staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

Any family self-certifications must be made in a format acceptable to the SHA and must be signed in the presence of a SHA representative or SHA notary public.

File Documentation

The [SHAPHA](#) must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the [SHAPHA](#) has followed all of the verification policies set forth in this ACOP. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

SHA Policy

The SHA will document, in the family file, the following:

Reported family annual income

Value of assets

Expenses related to deductions from annual income

Other factors influencing the adjusted income or income-based rent determination

When the [SHA-PHA](#) is unable to obtain ~~third-3rd~~-party verification, the SHA will document in the family file the reason that third-party verification was not available ~~and will place a photocopy of the original document(s) in the family file.~~ [24 CFR 960.259(c)(1); [Notice PIH 2010-19](#)].

~~VG, p.15}~~

7-I.C. UP-FRONT INCOME VERIFICATION (UIV)

Up-front income verification (UIV) refers to the SHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to the SHA.-

SHA Policy

For each new admission or historical adjustment, the SHA shall:

- a. Review the EIV Income Report to confirm and validate family-reported income within 120 days of the PIC submission date
- b. Print and maintain a copy of the EIV Income Report in the tenant file: and
- c. Resolve any income discrepancy with the family within 60 days of the EIV Income Report date-.

For each interim recertification, the SHA shall have the following documentation in the tenant file:

- a. ICN Page when there is no household income discrepancy noted on the EIV
- b. EIV Income Report when there is an income discrepancy noted on the household's Income Discrepancy Report.

For each annual recertification of family income and composition, the SHA shall have the following documentation in the tenant file:

- a. No Dispute of EIV Information signed by the resident with current acceptable tenant-provided documentation, and only if necessary, traditional third party verification.
- b. Disputed EIV Information signed by the resident with current acceptable tenant-provided documentation and/or traditional third party verification for the disputed information
- c. Tenant-reported income not verifiable through the EIV system with current tenant-provided documents, and if necessary, third party verification form(s).

The SHA shall generate the following EIV reports monthly:

- a. Deceased Tenants Report
- b.
- c. Immigration Report

The SHA shall generate the following EIV reports on a quarterly basis:

1. Income Discrepancy Report
2. Multiple Subsidy Report
3. New Hires Report

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In PHA, the event the information contained within the EIV system is in error, the resident must address the issue directly with the source provider.

Findings of underreporting of income shall be addressed by the SHA in accordance with PIH Notice 2010-19 and pursuant to Chapter 15, "Program Integrity".

There may be legitimate differences between the information provided by the family and UIV-generated information. If the SHA may not take any adverse action against a family based solely on UIV data unless the family does not dispute the data. The SHA must independently verify any UIV data that the family disputes the accuracy of UIV data, no, and, before taking any adverse action can be taken until the PHA has independently verified, it must give the UIV information and the family has been granted family the opportunity to contest any adverse findings the action through the SHA's informal review/hearing processes. (For more on UIV and income projection, see section 6-I.C.)

Upfront Income Verification Using

Use of HUD's Enterprise Income Verification (EIV) System (Mandatory)

PHAs must use HUD's EIV system in its entirety as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with 24 CFR 5.236 and administrative guidance issued by HUD. HUD's EIV system contains data showing earned income, unemployment benefits, and social security ~~benefits (SS)~~ and ~~supplemental security income (SSI)~~ benefits for ~~participant~~ resident families. ~~HUD requires the SHA to use the EIV system.~~ The following policies apply to ~~the~~ use of HUD's EIV system.

~~EIV The EIV system contains two main components: income reports and income discrepancy reports.~~

Income Reports

The data shown on income reports is updated quarterly. Data may be between three and six months old at the time reports are generated.

SHA Policy

The SHA will obtain income reports for annual reexaminations on a monthly basis. Reports will be generated as part of the regular reexamination process.

Income reports will be compared to family-provided information as part of the annual reexamination process. ~~Income When the family does not dispute the EIV data, income reports may be used in the calculation of annual income, as described in Chapter 6.I.C. Income reports may also be used to meet the regulatory requirement for third-party verification, as described above. Policies for resolving discrepancies between income reports and family-provided information will be resolved as described in Chapter 6.I.C. and in this chapter.~~

Income reports will be used in interim reexaminations ~~to identify any discrepancies between reported income and income shown in the EIV system, and as when necessary to verify and calculate earned employment income, unemployment benefits, Social Security and/or SS/SSI benefits. EIV will also be used and~~ to verify that families claiming zero income are not receiving income from any of these sources.

Income reports will be retained in resident files with the applicable annual or interim reexamination documents.

When the SHA determines through income reports and ~~independent~~ third-party verification that a family has concealed or ~~under-reported underreported~~ income, corrective action will be taken pursuant to the policies in Chapter 15, "Program Integrity."

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Income Discrepancy Reports (IDRs)

The income discrepancy report (IDR) is a tool for identifying families that may have concealed or underreported income. Data in the IDR represents income for past reporting periods and may be between 6 and 30 months old at the time the report is generated.

Families that have not concealed or underreported income may appear on the IDR in some circumstances, such as loss of a job or addition of new family members.

SHA Policy

The SHA will generate and review IDRs quarterly. The IDR threshold percentage will be adjusted as necessary based on the findings in the IDRs.

In reviewing IDRs, the SHA will begin with the largest discrepancies.

When the SHA determines that a resident appearing on the IDR has not concealed or underreported income, the resident's name will be placed on a list of "false positive" reviews. To avoid multiple reviews in this situation, residents appearing on this list will be eliminated from IDR processing until a subsequent interim or annual reexamination has been completed.

When it appears that a family may have concealed or underreported income, the SHA will request independent third-party written verification of the income in question.

When the SHA determines through IDR review and independent third-party verification that a family has concealed or underreported income, corrective action will be taken pursuant to the policies in Chapter 15, "Program Integrity."

EIV Identity Verification

The EIV system verifies resident identities against Social Security Administration (SSA) records. These records are compared to Public and Indian Housing Information Center (PIC) data for a match on social security number, name, and date of birth.

PHAs are required to use EIV's Identity Verification Report on a monthly basis to improve the availability of income information in EIV [Notice PIH 2012-10].

When identity verification for a resident fails, a message will be displayed within the EIV system and no income information will be displayed.

SHA Policy

The SHA will identify residents whose identity verification has failed by reviewing EIV's Identity Verification Report on a monthly basis, as part of the annual reexamination process.

The SHA will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the tenant, reviewing file documents. When the SHA determines that discrepancies exist as a result of SHA errors, such as spelling errors or incorrect birth dates, it will correct the errors promptly.

Upfront Income Verification Using Non-HUD Systems (Optional)The resident shall be responsible for correcting any identity discrepancy with the Social Security Administration.

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In addition to mandatory use of the EIV system, HUD encourages PHAs to utilize other upfront verification sources.

SHA Policy

The SHA will inform all applicants and residents of its use of the following UIV resources during the admission and reexamination process:

HUD's EIV system

The Work Number

~~Insert any additional UIV sources used by the PHA~~

7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION

HUD's current verification hierarchy defines Reasonable Effort and Timing

~~Unless third party verification is not required as described below, HUD requires the SHA to make at least two types of written unsuccessful attempts to obtain third-party verification. The more preferable before using another form, "written third-party of verification," consists of an original document generated by a third-party source, which may be received directly from a third-party source or provided to the PHA by the family. If written third-party verification is not available, the PHA must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party. [VG, p. 15].~~

SHA Policy

~~The SHA will diligently seek third party verification using a combination of written and oral requests to verification sources. Information received directly orally from a third party source or parties may be used either to clarify information provided to the PHA in writing by the family. If third party or as independent verification when written third party verification is not available, the PHA must receive in a timely fashion.~~

~~The SHA may mail, fax, e-mail, or hand-deliver third party written verification requests and will accept third party responses using any of these methods. The SHA will send a written request for verification to each required source within 5 business days of securing a family's authorization for the release of the information and give the source 10 business days to respond in writing. If a response has not been received by the 11th business day, the SHA will request third party oral verification.~~

~~The SHA will make a minimum of two attempts, one of which may be oral, to obtain third party verification. A record of each attempt to obtain a "written third party verification form." This is a standardized form used to collect information from a third party.~~

Written Third-Party Verification [Notice PIH 2010-19]

Written third-party verification documents must be original and authentic and may be supplied by the family or received from a contact the third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, (including no answer calls) and unemployment monetary benefit notices. all contacts with

The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible.

SHA Policy

Third-party documents provided by the family must source will be dated within 60 days of documented in the SHA request date.

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If the SHA determines thatfile. Regarding third-party documents provided by the family are not acceptable, the SHA will explain the reason to the family and request additional documentation.

As verification of earned income, the SHA will require the family to provide the two most current, consecutive pay stubs.

Written Third-Party Verification Form

When upfront verification is not available and the family is unable to provide written third-party documents, the PHA must request a written third-party verification form. HUD's position is that this traditional third-party verification method presents administrative burdens and risks which may be reduced through the use of family-provided third-party documents.

PHAs may mail, fax, or e-mail third-party written ~~oral~~ verification form requests to third-party sources.

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SHA Policy

The SHA will send third-party verification forms directly to the third party.

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by the SHA.

Oral Third-Party Verification [Notice PIH 2010-19]

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Oral third-party verification is mandatory if neither form of written third-party verification is available.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs should document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

SHA Policy

In collecting third-party oral verification, SHA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally~~orally~~ to the initial written request for verification, the SHA will accept the verbal~~oral~~ response as oral verification but will also request that the source complete and return any verification forms that were provided.

If a third party agrees to confirm in writing the information provided ~~orally~~ verbally, the SHA will wait no more than 5 business days for the information to be provided. If the information is not provided by the 6th business day, the SHA will use any information provided ~~orally~~ verbally in combination with reviewing family-provided documents (see below).

When Third-Party Information is Late

When third-party verification has been requested and the timeframes for submission have been exceeded, the SHA will use the information from documents on a provisional basis. If the SHA later receives third-party verification that differs from the amounts used in income and rent determinations and it is past the deadline for processing the reexamination, the SHA will conduct an interim reexamination to adjust the figures used for the reexamination, regardless of the SHA's interim reexamination policy.

When Third-Party Verification is Not Required [Notice PIH 2010-19]

Primary Documents

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

Certain Assets and Expenses

The SHA may accept a self-certification from the family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be if the asset or expense involves an insignificant amount, making it not cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment. [VG, p. 15].

PHA SHA Policy

The SHA will use review of documents in lieu of requesting third-party verification when the market value of an individual asset or an expense is less than \$500 annually and the family has original documents that support the declared amount.

If the family cannot provide original documents, the SHA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

Primary Documents

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

Imputed Assets

The PHA may accept a self-certification from the family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

SHA Policy

The SHA will accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

~~Certain Income, Asset and Expense Sources~~

~~The SHA will determine that third-party verification is not available when it is known that an income source does not have the ability to provide written or oral third-party verification [VG, p. 15]. For example, the SHA will rely upon review of documents when the SHA determines that a third-party's privacy rules prohibit the source from disclosing information.~~

SHA Policy

~~The SHA will determine that third-party verification is not available when there is a service charge for verifying an asset or expense and the family has original documents that provide the necessary information.~~

~~If the family cannot provide original documents, the PHASHA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.~~

~~The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].~~

~~Primary Documents~~

~~Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.~~

~~Imputed Assets~~

~~The PHA may accept a self-certification from the family as verification of assets disposed of for less than fair market value [HCV-GB, p. 5-28].~~

~~PHAThe SHA will document, in the family file, the reason that the third-party verification was not available and will place a photocopy of the original document(s) in the family file. [VG, p. 15]~~

Value of Assets and Asset Income [24 CFR 960.259]

For families with net assets totaling \$5,000 or less, the PHA may accept the family's declaration of asset value and anticipated asset income. However, the PHA is required to obtain third-party verification of all assets regardless of the amount during the intake process, whenever a family member is added, and at least every three years thereafter.

SHA Policy

For families with net assets totaling \$5,000 or less, the SHA will accept the family's self-certification of the value of family assets and anticipated asset income when applicable. The family's declaration must show each asset and the amount of income expected from that asset. All family members 18 years of age and older must sign the family's declaration.

The SHA will use third-party documentation for assets as part of the intake process, whenever a family member is added to verify the individual's assets, and every three years thereafter.

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7-IE. REVIEW OF DOCUMENTS

Using Review of Documents as Verification

SHA Policy

The PHA will accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

Value of Assets and Asset Income [24 CFR 960.259]

For families with net assets totaling \$5,000 or less, the PHA may accept the family's declaration of asset value and anticipated asset income. However, the PHA is required to obtain third-party verification of all assets regardless of the amount during the intake process, whenever a family member is added, and at least every three years thereafter.

PHA Policy

For families with net assets totaling \$5,000 or less, the PHA will accept the family's self-certification of the value of family assets and anticipated asset income when applicable. The family's declaration must show each asset and the amount of income expected from that asset. All family members 18 years of age and older must sign the family's declaration.

The PHA will use third-party documentation for assets as part of the intake process, whenever a family member is added to verify the individual's assets, and every three years thereafter.

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If the SHA has determined that third party verification is not available or not required, the SHA will use documents provided by the family as verification.

The SHA may also review documents when necessary to help clarify information provided by third parties. In such cases the SHA will document in the file how the SHA arrived at a final conclusion about the income or expense to include in its calculations.

7-I.EF. SELF-CERTIFICATION

When HUD requires third-party verification, self-certification, or “tenant declaration,” is used as a last resort when the PHA is unable to obtain third-party verification.

Self-certification, however, is an acceptable form of verification when:

- A source of income is fully excluded
- Net family assets total \$5,000 or less and the PHA has adopted a policy to accept self certification at annual recertification, when applicable
- The PHA has adopted a policy to implement streamlined annual recertifications for fixed sources of income (See Chapter 9)

When the PHA was required to obtain third-party verification but instead relies on a tenant declaration for verification of income, assets, or expenses, the family’s file must be documented to explain why third-party verification was not available.

PHASHA Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the **PHASHA**.

The **PHASHA** may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to the **PHASHA** and must be signed by the family member whose information or status is being verified. All self-certifications must be signed in the presence of a **PHASHA** representative or **PHASHA** notary public.

PART II: VERIFYING FAMILY INFORMATION

7-II.A. VERIFICATION OF LEGAL IDENTITY

PHASHA Policy

The PHASHA will require families to furnish verification of legal identity for each household member.

Verification of Legal Identity for Adults	Verification of Legal Identity for Children
Certificate of birth, naturalization papers Church issued baptismal certificate Current, valid driver's license or Department of Motor Vehicle identification card U.S. military discharge (DD 214) <u>Current</u> U.S. passport <u>Current employer</u> Employer identification card	Certificate of birth Adoption papers Custody agreement Health and Human Services ID <u>Certified school</u> School records

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

If none of these documents can be provided and at the PHA's~~SHA's~~ discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to the PHASHA and be signed in the presence of a PHASHA representative or PHASHA notary public.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the PHA has reason to doubt the identity of a person representing him or herself to be a tenant or a member of a tenant family.

Legal identity will be verified on an as needed basis.

~~TheFor every family member age 6 or older, the family must provide documentation of a valid social security number (SSN) for each member of the household), or a self certification stating that no SSN has been issued. The self certification must be executed personally by any family member 18 or older, or by a parent or guardian for a minor.~~

~~The SHA shall require that all members of the applicant's household provide documentation of a valid Social Security Number (SSN). In the event of a valid reason for not being able to provide an assigned SSN, the SHA shall use the Alternate ID. Once the SSN is provided the SHA shall delete the ID number assigned. In accordance with PIH 2010-3, applicants and participants shall be required to disclose his/her assigned SSN, with the exception of the following individuals:~~

~~4. A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status. Exemptions also include, existing residents who were is not eligible for housing assistance and cannot be house.~~

~~B. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid.~~

- a. An original SSN ~~card~~ issued by the Social Security Administration (SSA)
- b. An original SSA-issued document, which contains the name and SSN of the individual; ~~or~~
- c. An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

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1. ~~The document is not an original document, if the;~~
2. ~~The original document has been altered, mutilated, is illegible, or if thenot-~~
~~legible; or~~
1. ~~The document appears to be a forged. -document~~

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PSHA Policy

The ~~PSHA will~~~~SHA shall~~ explain to the applicant or ~~resident~~~~participant~~, the ~~reasons~~~~reason~~ the document is not ~~acceptable and request the individual to obtain~~ acceptable ~~and request that documentation of the individual obtain~~ SSN and submit ~~acceptable documentation of the SSN#~~ to the ~~PHASHA~~ within ~~90~~~~30~~ days.

If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to ~~from~~ the date of program admission, an otherwise eligible family may be admitted and must provide documentation of the child's SSN within 90 days. A 90-day extension will be granted if the PSHA determines that the resident's failure to comply was due to unforeseen circumstances and was outside of the resident's control.

PSHA Policy

The PSHA will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

When a resident requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the resident must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.

When a resident requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the resident must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the PHA determines that the resident's failure to comply was due to unforeseen circumstances and was outside of the resident's control. During the period the PHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

PSHA Policy

The PSHA will grant one additional 90-day extension if needed for reasons beyond the resident's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during continuously-assisted occupancy.

PSHA Policy

The PSHA will verify each disclosed SSN by:

Obtaining documentation from applicants and residents that is acceptable as evidence of social security numbers

Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder

Once the individual's verification status is classified as "~~verified,~~" ~~Verified~~ within the PHA may, at its discretion, ~~EIV, the SHA shall~~ remove and destroy ~~copies, by not later than the next reexamination of family income or composition, the copy of the SSN~~ documentation accepted as evidence of social security numbers.- The retention of the EIV ~~Summary Report or Income Report is report in the tenant file shall be considered~~ adequate ~~for future~~ documentation of an individual's SSN.

PHA Policy

Once an individual's status is classified as "verified" in HUD's EIV system, the PHA will remove and destroy copies of documentation accepted as evidence of social security numbers.

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7-IL.C. DOCUMENTATION OF AGE

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

PHASHA Policy

If an official record of birth or evidence of social security retirement benefits cannot be provided, the **PHASHA** will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

Age must be verified only once during continuously-assisted occupancy.

7-II.D. FAMILY RELATIONSHIPS

Applicants and tenants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Eligibility chapter.

PHASHA Policy

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

Marriage

PHASHA Policy

Certification by the head of household is normally sufficient verification. If the PHASHA has reasonable doubts about a marital relationship, the PHASHA will require the family to document the marriage with a-

A marriage certificate or other documentation generally is required to verify that the couple is married.

In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (e.g., by telling the community they are married, calling each other husband and wife, using the same last name, filing joint income tax returns).

Separation or Divorce

PHASHA Policy

Certification by the head of household is normally sufficient verification. If the PHASHA has reasonable doubts about a divorce or separation-or divorcee, the PHASHA will require the family to provide documentation of document the divorce; or separation with a-

A certified copy of a divorce decree, signed by a court officer; a, is required to document that a couple is divorced.

A copy of a court-ordered maintenance or other court record; or other documentation that shows a couple is divorced or separated is required to document a separation.

If no court document is available, documentation from a community-based agency will be accepted.

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Absence of Adult Member

SHA Policy

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill).

Foster Children and Foster Adults

SHA Policy

Third-party verification from the state or local government agency responsible for the placement of the individual with the family is required.

7-II.E. VERIFICATION OF STUDENT STATUS

SHA Policy

The SHA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

The family claims full-time student status for an adult other than the head, spouse, or cohead, or

The family claims a child care deduction to enable a family member to further his or her education.

7-II.F. DOCUMENTATION OF DISABILITY

The SHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The SHA is not permitted to inquire about the nature or extent of a person's disability [24 CFR 100.202(c)]. The SHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the SHA receives a verification document that provides such information, the SHA will not place this information in the tenant file. Under no circumstances will the SHA request a resident's medical record(s). For more information on health care privacy laws, see the Department of Health and Human Services'

Web site at ~~www.os.dhhs.gov~~<https://www.hhs.gov/>.

The SHA may make the following inquiries, provided it makes them of all applicants, whether or not they are persons with disabilities [VG, p. 24]:

- Inquiry into an applicant's ability to meet the requirements of ownership or tenancy
- Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability
- Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability
- Inquiry about whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance
- Inquiry about whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance

Family Members Receiving SSA Disability Benefits

Verification of receipt of disability benefits from the Social Security Administration (SSA) is sufficient for verification of disability for the purpose of qualification for waiting list preferences or certain income disallowances and deductions [VG, p. 23].

SHA Policy

For family members claiming disability who receive disability payments from the SSA, the ~~PHA will attempt to~~ SHA shall attempt to obtain information about the disability benefits through HUD's Enterprise Income Verification ~~(the EIV)~~ system. If documentation is not available through HUD's -. If documentation is not available through HUD's ~~The SHA shall print the~~ EIV system the SHA will request a current (dated within the last 60 calendar days) SSA benefit verification letter from each family member claiming disability status. If a family member is unable to provide the document, the SHA will ask the family to obtain a benefit verification letter by calling SSA at 1-800-772-1213 or by requesting one from www.ssa.gov. Once the family receives the benefit verification letter, it will be required to provide the letter to the SHA. ~~the PHA will request Income Report and confirm with the tenant that the current listed benefit amount is correct. If the tenant agrees with the current EIV reported amount, the SHA will use the gross benefit amount to calculate annual income.~~

If the tenant disputes the reported benefit amount, the SHA shall request the tenant to provide a current (dated within the last 60 calendar days) SSA benefit verification letter from each family member claiming disability status. If a family member. If the tenant is unable to

provide the this document, the PHA will ask SHA all assist the family to obtain applicant in request a benefit verification letter either by calling SSA from SSA's website, Social Security Online, at 1-800-772-1213 or by requesting one from www.ssa.gov. Once the family receives the benefit verification letter, it will be required to provide the letter to the PHA www.socialsecurity.gov.

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Family Members Not Receiving SSA Disability Benefits

Receipt of veteran's disability benefits, worker's compensation, or other non-SSA benefits based on the individual's claimed disability are not sufficient verification that the individual meets HUD's definition of disability in 24 CFR 5.403.603, necessary to qualify for waiting list preferences or certain income disallowances and deductions.

SHA Policy

For family members claiming disability who do not receive SSI or other disability payments from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. See the Eligibility chapter for the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition.

7-II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5.508]

Overview

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons. See the Eligibility chapter for detailed discussion of eligibility requirements. This chapter (7) discusses HUD and PHASHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual it need not be collected or verified again during continuously-assisted occupancy [24 CFR 5.508(g)(5)]

U.S. Citizens and Nationals

HUD requires a declaration for each family member who claims to be a U.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The PHA may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation.

SHA Policy

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless the SHA receives information indicating that an individual's declaration may not be accurate.

Eligible Immigrants

Documents Required

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance. Exhibit 7-12 at the end of this chapter summarizes documents family members must provide.

PHA Verification [HCV GB, pp 5-3 and 5-7]

For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in 7-II.C. of this ACOP. No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, the PHA must verify immigration status with the U.S. Citizenship and Immigration Services (USCIS).

The PHA will follow all USCIS protocols for verification of eligible immigration status.

7-II.H. VERIFICATION OF PREFERENCE STATUS

The PHA must verify any preferences claimed by an applicant that determined his or her placement on the waiting list.

SHA Policy

The SHA shall verify any preference claimed by an applicant. The following list contains the manner in which the SHA shall verify certain preferences:

Working Families:

The SHA shall verify that the family qualifies for the working family preference based on the family's submission of the working member's most recent six paycheck stubs or a letter from the employer indicating that the working member works at least 30 hours per week. The SHA may also seek third party verification from the employer of the head, spouse, co-head or sole member of a family requesting a preference as a working family. The paycheck stub must have been issued to the working member within the last thirty days.

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Homeless Preference:

The SHA will verify the homeless status by sending third party verification to the Homeless Shelter. The applicant must have been with the shelter provider for no less than 30 days and must have attended programs designed to enhance, increase or create self-sufficiency.

Involuntary Displacement

The applicant shall be required to submit paperwork from the Federal, State or local government related to the displacement. The SHA will verify the displacement with the agency.

Veteran's Preference

A family is considered eligible for the veteran's preference if they can provide a copy of their DD 214 Report of Separation.

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Within the date and time of receipt, and the unit size required, considering the income needs to achieve deconcentration of poverty and income mixing, the SHA has established the following system to apply local preferences:

Three preferences outweigh two, two preferences outweigh one, etc.

PART III: VERIFYING INCOME AND ASSETS

Chapter 6, Part I of this ACOP describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any assets and income reported by the family must be verified. This part provides PHA policies that supplement the general verification procedures specified in Part I of this chapter.

7-III.A. EARNED INCOME

Tips

SHA Policy

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

Third party verification shall be obtained. In no event shall the tip income and the regular hourly wage be totaled as less than the prevailing and adopted Federal or State minimum wage. In the event the total appears as less than the minimum wage, the SHA shall use the minimum wage as the average earned income.

Wages

SHA Policy

For wages other than tips, the family must provide originals of the two most current, consecutive pay stubs.

7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME

SHA Policy

Business owners and self-employed persons will be required to provide:

An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.

All schedules completed for filing federal and local taxes in the preceding year.

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

The SHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination the SHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, the SHA will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months. If the family member has been self-employed for three (3) to twelve (12) months the SHA will require the family to provide documentation of income and expenses for this period and use that information to project income.

7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS

For policies governing streamlined income determinations for fixed sources of income, please see Chapter 9.

Social Security/SSI Benefits

SHA Policy

To verify

For family members claiming disability payments from the SS/SSI benefits of applicants SSA, the PHA will SHA shall obtain information about the disability benefits through the EIV system.

The SHA shall print the EIV Income Report and confirm with the tenant that the current listed benefit amount is correct. If the tenant agrees with the current EIV reported amount, the SHA will use the gross benefit amount to calculate annual income.

If the tenant disputes the reported benefit amount, the SHA shall request the tenant to provide a current (dated within the last 60 calendar days) SSA benefit verification letter from each family member who receives social security benefits. If a family member, If the tenant

is unable to provide the this document, the PHA will help SHA all assist the applicant in request a benefit verification letter from SSA's Web site website, Social Security Online, at www.socialsecurity.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the family has received the original benefit verification letter, it will be required to provide the letter to the PHA. www.socialsecurity.gov.

To verify the SS/SSI benefits of applicants, the SHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member who receives social security benefits. If a family member is unable to provide the document, the PHA will help the applicant request a benefit verification letter from SSA's Web site at www.socialsecurity.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the family has received the original benefit verification letter, it will be required to provide the letter to the SHA.

To verify the SS/SSI benefits of residents, the SHA will obtain information about social security/SSI benefits through HUD's EIV system, and confirm with the resident(s) that the current listed benefit amount is correct. If the resident disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, the SHA will request a current SSA benefit verification letter from each family member that receives social security benefits. If a family member is unable to provide the document, the SHA will help the resident request a benefit verification letter from SSA's Web site at www.socialsecurity.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the family has received the benefit verification letter, it will be required to provide the letter to the SHA.

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7-III.D. ALIMONY OR CHILD SUPPORT

SHA Policy

The ~~methods~~ way the SHA will ~~use to verify~~~~seek verification for~~ alimony and child support ~~payments differ~~~~differs~~ depending on whether the family declares that it receives regular payments.

If the family declares that it *receives regular payments*, verification will be ~~obtained~~~~sought~~ in the following order of priority:-

Copies of the receipts and/or payment stubs for the 60 days prior to SHA request

If payments are made through a state or local entity, the SHA will request a record of payments for the past 12 months and request that the entity disclose any known information about the likelihood of future payments.

Third-party verification form from the state or local child support enforcement agency

Third-party verification form from the person paying the support

Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules

Copy of the latest check and/or payment stubs

Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

If the family declares that it *receives irregular or no payments*, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include:

A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts

If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

Note: Families are not required to undertake independent enforcement action.

7-III.E. ASSETS AND INCOME FROM ASSETS

Assets Disposed of for Less than Fair Market Value

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years. The **PHASHA** needs to verify only those certifications that warrant documentation [HCV GB, p. 5-28].

SHA Policy

The SHA will verify the value of assets disposed of only if:

The SHA does not already have a reasonable estimation of its value from previously collected information, or

The amount reported by the family in the certification appears obviously in error.

Example 1: An elderly **resident participant** reported a \$10,000 certificate of deposit at the last annual reexamination and the SHA verified this amount. Now the person reports that she has given this \$10,000 to her son. The SHA has a reasonable estimate of the value of the asset; therefore, reverification of the value of the asset is not necessary.

Example 2: A family member has disposed of its 1/4 share of real property located in a desirable area and has valued her share at approximately 5,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the SHA will verify the value of this asset.

7-III.F. NET INCOME FROM RENTAL PROPERTY

SHA Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, the SHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

7-III.G. RETIREMENT ACCOUNTS

SHA Policy

The SHA will accept written third-party documents supplied by the family as evidence of the status of retirement accounts.

The~~When third party verification is not available the~~ type of original document that will be accepted depends upon the family member's retirement status.

Before retirement, the SHA will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

Upon retirement, the SHA will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

After retirement, the SHA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

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7-III.H. INCOME FROM EXCLUDED SOURCES

A detailed discussion of excluded income is provided in Chapter 6, Part I.

HUD guidance on verification of excluded income draws a distinction between income which is fully excluded and income which is only partially excluded.

For fully excluded income, the PHA is **not** required to follow the verification hierarchy, document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined as income that is entirely excluded from the annual income determination (for example, food stamps, earned income of a minor, or foster care funds) [Notice PIH 2013-04].

PHAs may accept a family's signed application or reexamination form as self-certification of fully excluded income. They do not have to require additional documentation. However, if there is any doubt that a source of income qualifies for full **exclusion**; PHAs have the option of requiring additional verification.

For partially excluded income, the PHA **is** required to follow the verification hierarchy and all applicable regulations, and to report the income on the 50058. Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of an adult full-time student, or income excluded under the earned income disallowance).

SHA Policy

The **SHA** will accept the family's self-certification as verification of fully excluded income. The PHA may request additional documentation if necessary to document the income source.

The **SHA** will verify the source and amount of partially excluded income as described in Part 1 of this chapter.

~~The **SHA** must obtain verification for income exclusions only if, without verification, the **SHA** would not be able to determine whether the income is to be excluded. For example: If a family's 16 year old has a job at a fast food restaurant, the **SHA** will confirm that **SHA** records verify the child's age but will not send a verification request to the restaurant. However, if a family claims the earned income disallowance for a source of income, both the source and the income must be verified.~~

SHA Policy

~~The **SHA** will reconcile differences in amounts reported by the third party and the family only when the excluded amount is used to calculate the family's rent (as is the case with the earned income disallowance). In all other cases, the **SHA** will report the amount to be excluded as indicated on documents provided by the family.~~

7-III.I. ZERO ANNUAL INCOME STATUS

SHA Policy

The SHA will check UIV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SS, SSI,

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| earned income, etc. are not being received by families claiming to have zero annual income.

The SHA shall require the resident or applicant to complete a Zero Income Questionnaire. In the event a resident claims zero income, the SHA shall perform interim recertifications on a quarterly basis until income is established. Information for contributions and cash which are eligible as income, shall be verified by third party from the source received. In the event the third party verification is not received, the SHA will accept the amounts certified on the Zero Income Questionnaire by the resident as being the accurate amount of contributions.

PART IV: VERIFYING MANDATORY DEDUCTIONS

7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS

The dependent and elderly/disabled family deductions require only that the PHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

Dependent Deduction

See Chapter 6 (6-II.B.) for a full discussion of this deduction. The PHA will verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse or cohead of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full time student

Elderly/Disabled Family Deduction

See the Eligibility chapter for a definition of elderly and disabled families and Chapter 6 (6-II.C.) for a discussion of the deduction. The PHA will verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

7-IV.B. MEDICAL EXPENSE DEDUCTION

Policies related to medical expenses are found in 6-II.D. The amount of the deduction will be verified following the standard verification procedures described in Part I.

Amount of Expense

SHA Policy

The SHA will provide a third-party verification form directly to the medical provider requesting the needed information.

Medical expenses will be verified through:

Written Third-party verification form signed by the provider, when possible

If third-party documents provided by the family, such as pharmacy is not possible, copies of cancelled checks used to make medical expense payments and/or printouts or receipts.

In this case, The SHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The SHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms, if the family is unable to provide acceptable documentation.

If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

In addition, the SHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

Eligible Household

The medical expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62 or a person with disabilities. The ~~PHA~~SHA will verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter, and as described in Chapter 7 (7-IV.A) of this plan.

Qualified Expenses

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses. See Chapter 6 (6-II.D.) for the ~~PHA's~~SHA's policy on what counts as a medical expense.

Unreimbursed Expenses

To be eligible for the medical expenses deduction, the costs must not be reimbursed by another source.

SHA Policy

The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

Expenses Incurred in Past Years

SHA Policy

When anticipated costs are related to on-going payment of medical bills incurred in past years, the SHA will verify:

The anticipated repayment schedule

The amounts paid in the past, and

Whether the amounts to be repaid have been deducted from the family's annual income in past years

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7-IV.C. DISABILITY ASSISTANCE EXPENSES

Policies related to disability assistance expenses are found in 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

Amount of Expense

Attendant Care

SHA Policy

The SHA will accept written third-party documents provided by the family.

If family-provided documents are not available, The SHA will provide a third-party verification form directly to the care provider requesting the needed information.

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available, when possible

~~If third party is not possible, copies of cancelled checks used to make attendant care payments and/or receipts from care source~~

If third-party ~~verification or document review~~ is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

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Auxiliary Apparatus

SHA Policy

Expenses for auxiliary apparatus will be verified through:

~~Written Third-party verification of anticipated purchase costs of auxiliary apparatus-~~

~~If~~ third-party documents provided by the family, such as is not possible, billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party or document review is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

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In addition, the SHA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in 7-II.F above).
- The expense permits a family member, or members, to work (as described in 6-II.E.).
- The expense is not reimbursed from another source (as described in 6-II.E.).

Family Member is a Person with Disabilities

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The PHA will verify that the expense is incurred for a person with disabilities (See 7-II.F.).

Family Member(s) Permitted to Work

The PHA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

SHA Policy

The SHA will ~~request~~seek third-party verification from a rehabilitation agency~~Rehabilitation Agency~~ or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See 6-II.E.). This documentation may be provided by the family.

If third-party~~and document review~~ verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

Unreimbursed Expenses

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

SHA Policy

~~An attendant care provider will be asked to certify that, to the best of the provider's knowledge, the expenses are not paid by or reimbursed to the family from any source.~~

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

7-IV.D. CHILD CARE EXPENSES

Policies related to child care expenses are found in Chapter 6 (6-II.F). The amount of the deduction will be verified following the standard verification procedures described in Part I. In addition, the PHA must verify that:

- The child is eligible for care (12 or younger):-
- The costs claimed are not reimbursed.
- The costs enable a family member to work, actively seek work, or further their education~~pursue an eligible activity~~.
- The costs are for an allowable type of child care.
- The costs are reasonable.

Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

Unreimbursed Expense

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

SHA Policy

~~The family and the care provider~~
~~The child care provider will be asked to certify that, to the best of the provider's knowledge, the child care expenses are not paid by or reimbursed to the family from any source.~~

~~The family~~ will be required to certify that the child care expenses are not paid by or reimbursed to the family from any source.

Pursuing an Eligible Activity

The PHA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

SHA Policy

Information to be Gathered

The SHA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

Whenever possible the SHA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases the SHA will request family-provided verification from the agency of the member's job seeking efforts to date and require the family to submit to the SHA any reports provided to the other agency.

In the event third-party verification is not available, the SHA will provide the family with a form on which the family member must record job search efforts. The SHA will review this information at each subsequent reexamination for which this deduction is claimed.

Furthering Education

The SHA will request third-party documentation to ask that the academic or vocational educational institution verify that the person permitted to further his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.

Gainful Employment

The SHA will seek third-party verification ~~from the employer~~ of the work schedule of the person who is permitted to work by the child care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. The documentation may be provided by the family.

Allowable Type of Child Care

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

SHA Policy

The SHA will verify that the type of child care selected by the family is allowable, as described in Chapter 6 (6-II.F).

The SHA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The SHA will verify that the child care provider is not ~~an assisted family member~~a current resident within the unit. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

Reasonableness of Expenses

Only reasonable child care costs can be deducted.

SHA Policy

The actual costs the family incurs will be compared with the SHA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, the SHA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

Exhibit 7-1: Excerpt from HUD Verification Guidance Notice (PIH 2004-01, pp. 11-14)

Upfront (UIV)	Highest (Highly Recommended, highest level of third party verification)
Written 3rd Party	High (Mandatory if upfront income verification is not available or if UIV data differs substantially from tenant-reported information)
Oral 3rd Party	Medium (Mandatory if written third party verification is not available)
Document Review	Medium-Low (Use on provisional basis)
Tenant Declaration	Low (Use as a last resort)

Income Type	Upfront	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Wages/Salaries	Use of computer matching agreements with a State Wage Information Collection Agency (SWICA) to obtain wage information electronically, by mail or fax or in person.	The PHA mails, faxes, or e-mails a verification form directly to the independent sources to obtain wage information.	In the event the independent source does not respond to the PHA's written request for information, the PHA may contact the independent source by phone or make an in person visit to obtain the requested information.	When neither form of third party verification can be obtained, the PHA may accept original documents such as consecutive pay stubs (HUD recommends the PHA review at least three months of pay stubs, if employed by the same employer for three months or more), W-2 forms, etc. from the tenant. Note: The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares the family's total annual income from earnings. Note: The PHA must document in the tenant file, the reason third party verification was not available.
	Agreements with private vendor agencies, such as The Work Number or ChoicePoint to obtain wage and salary information.	The PHA may have the tenant sign a Request for Earnings Statement from the SSA to confirm past earnings. The PHA mails the form to SSA and the statement will be sent to the address the PHA specifies on the form.			
	Use of HUD systems, when available.	The PHA mails the form to SSA and the statement will be sent to the address the PHA specifies on the form.			
Verification of Employment Income: The PHA should always obtain as much information as possible about the employment, such as start date (new employment), termination date (previous employment), pay frequency, pay rate, anticipated pay increases in the next twelve months, year-to-date earnings, bonuses, overtime, company name, address and telephone number, name and position of the person completing the employment verification form.					
Effective Date of Employment: The PHA should always confirm start and termination dates of employment.					

Income Type	Upfront	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Self-Employment	Not Available	The PHA mails or faxes a verification form directly to sources identified by the family to obtain income information.	The PHA may call the source to obtain income information.	The PHA may accept any documents (i.e. tax returns, invoices and letters from customers) provided by the tenant to verify self-employment income. Note: The PHA must document in the tenant file, the reason third party verification was not obtained.	The PHA may accept a notarized statement or affidavit from the tenant that declares the family's total annual income from self-employment. Note: The PHA must document in the tenant file, the reason third party verification was not available.
Verification of Self-Employment Income: Typically, it is a challenge for PHAs to obtain third party verification of self-employment income. When third party verification is not available, the PHA should always request a notarized tenant declaration that includes a perjury statement.					
Social Security Benefits	Use of HUD Tenant Assessment System (TASS) to obtain current benefit history and discrepancy reports.	The PHA mails or faxes a verification form directly to the local SSA office to obtain social security benefit information. (Not Available in some areas because SSA makes this data available through TASS. SSA encourages PHAs to use TASS.)	The PHA may call SSA, with the tenant on the line, to obtain current benefit amount. (Not Available in some areas because SSA makes this data available through TASS. SSA encourages PHAs to use TASS.)	The PHA may accept an original SSA Notice from the tenant. Note: The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares monthly social security benefits. Note: The PHA must document in the tenant file, the reason third party verification was not available.
Welfare Benefits	Use of computer matching agreements with the local Social Services Agency to obtain current benefit amount electronically, by mail or fax or in person.	The PHA mails, faxes, or e-mails a verification form directly to the local Social Services Agency to obtain welfare benefit information.	The PHA may call the local Social Services Agency to obtain current benefit amount.	The PHA may review an original award notice or printout from the local Social Services Agency provided by the tenant. Note: The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares monthly welfare benefits. Note: The PHA must document in the tenant file, the reason third party verification was not available.

Income Type	Upfront	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Child Support	Use of agreement with the local Child Support Enforcement Agency to obtain current child support amount and payment status electronically, by mail or fax or in person.	The PHA mails, faxes, or e-mails a verification form directly to the local Child Support Enforcement Agency or child support payer to obtain current child support amount and payment status.	The PHA may call the local Child Support Enforcement Agency or child support payer to obtain current child support amount and payment status.	The PHA may review an original court order, notice or printout from the local Child Support Enforcement Agency provided by the tenant to verify current child support amount and payment status. Note: The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares current child support amount and payment status. Note: The PHA must document in the tenant file, the reason third party verification was not available.
Unemployment Benefits	Use of computer matching agreements with a State Wage Information Collection Agency to obtain unemployment compensation electronically, by mail or fax or in person.	The PHA mails, faxes, or e-mails a verification form directly to the State Wage Information Collection Agency to obtain unemployment compensation information.	The PHA may call the State Wage Information Collection Agency to obtain current benefit amount.	The PHA may review an original benefit notice or unemployment check stub, or printout from the local State Wage Information Collection Agency provided by the tenant. Note: The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares unemployment benefits. Note: The PHA must document in the tenant file, the reason third party verification was not available.
	Use of HUD systems, when available.				
Pensions	Use of computer matching agreements with a Federal, State, or Local Government Agency to obtain pension information electronically, by mail or fax or in person.	The PHA mails, faxes, or e-mails a verification form directly to the pension provider to obtain pension information.	The PHA may call the pension provider to obtain current benefit amount.	The PHA may review an original benefit notice from the pension provider provided by the tenant. Note: The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares monthly pension amounts. Note: The PHA must document in the tenant file, the reason third party verification was not available.

Income Type	Upfront	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Assets	Use of cooperative agreements with sources to obtain asset and asset income information electronically, by mail or fax or in person.	The PHA mails, faxes, or emails a verification form directly to the source to obtain asset and asset income information.	The PHA may call the source to obtain asset and asset income information.	The PHA may review original documents provided by the tenant. Note: The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares assets and asset income. Note: The PHA must document in the tenant file, the reason third party verification was not available.
Comments	Whenever HUD makes available wage, unemployment, and SSA information, the PHA should use the information as part of the reexamination process. Failure to do so may result in disallowed costs during a RIM review.	Note: The independent source completes the form and returns the form directly to the PHA. Agency. The tenant should not hand carry documents to or from the independent source.	The PHA should document in the tenant file, the date and time of the telephone call or in person visit, along with the name and title of the person that verified the current income amount.		The PHA should use this verification method as a last resort, when all other verification methods are not possible or have been unsuccessful. Notarized statement should include a perjury penalty statement.
Note: The PHA must not pass verification costs along to the participant.					
Note: In cases where the PHA cannot reliably project annual income, the PHA may elect to complete regular interim reexaminations (this policy should be apart of the PHA's written policies.)					

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Exhibit 7-21: Summary of Documentation Requirements for Noncitizens
[HCV GB, pp. 5-9 and 5-10]

- All noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA.
- Except for persons 62 or older, all noncitizens must sign a verification consent form
- Additional documents are required based upon the person's status.

Elderly Noncitizens

- A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.

All other Noncitizens

- Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below.

- | | |
|--|--|
| <ul style="list-style-type: none"> • Form I-551 Alien Registration Receipt Card (for permanent resident aliens) • Form I-94 Arrival-Departure Record annotated with one of the following: <ul style="list-style-type: none"> • “Admitted as a Refugee Pursuant to Section 207” • “Section 208” or “Asylum” • “Section 243(h)” or “Deportation stayed by Attorney General” • “Paroled Pursuant to Section 221 (d)(5) of the USCIS” | <ul style="list-style-type: none"> • Form I-94 Arrival-Departure Record with no annotation accompanied by: <ul style="list-style-type: none"> • A final court decision granting asylum (but only if no appeal is taken); • A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90); • A court decision granting withholding of deportation; or • A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90). |
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- | | |
|--|--|
| <ul style="list-style-type: none"> • Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”. | Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12”. |
|--|--|

- A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified; or
- Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*

Chapter 8

LEASING AND INSPECTIONS

[24 CFR 5, Subpart G; 24 CFR 966, Subpart A]

INTRODUCTION

Public housing leases are the basis of the legal relationship between the SHA-PHA and the tenant. All units must be occupied pursuant to a dwelling lease agreement that complies with HUD's regulations.

HUD ~~rules-regulations~~ also require the SHA-PHA to inspect each dwelling unit prior to move-in, at move-out, and annually during occupancy. In addition, the SHA-PHA may require additional inspections in accordance with SHA-PHA policy.

This chapter is divided into two parts as follows:

Part I: Leasing. This part describes pre-leasing activities and the SHA's-PHA's policies pertaining to lease execution, modification, and payments under the lease.

Part II: Inspections. This part describes the SHA's-PHA's policies for inspecting dwelling units.

PART I: LEASING

8-I.A. OVERVIEW

An eligible family may occupy a public housing dwelling unit under the terms of a lease. The lease must meet all regulatory requirements, and must also comply with applicable state and local laws and codes.

The term of the lease must be for a period of 12 months. The lease must be renewed automatically for another 12-month term, except that the SHA-PHA may not renew the lease if the family has violated the community service requirement [24 CFR 966.4(a)(2)].

PHAs must adopt smoke-free policies, which must be implemented no later than July 30, 2018. A model policy is attached as Exhibit 8-1.

Part I of this chapter contains regulatory information on leasing, ~~when-where~~ applicable, as well as the ~~SHA's-PHA's policies governing leasing issues~~ leasing policies.

8-I.B. LEASE ORIENTATION

SHA Policy

After unit acceptance but prior to occupancy, a SHA representative will ~~provide~~ conduct a lease orientation ~~to~~ with the family. The head of household or spouse is required to attend.

Orientation Agenda

SHA Policy

When families attend the lease orientation, they will be provided with:

A copy of the lease

A copy of the SHA's grievance procedure

A copy of the house rules

A copy of the SHA's schedule of maintenance charges

A copy of the pamphlet *Protect Your Family From Lead in Your Home*

~~A copy of Applying for HUD Assistance and HUD Fact Sheet~~

A copy of "Is Fraud Worth It?" (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse

A copy of "What You Should Know about EIV," a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19

~~A copy of the Violence Against Women Act information~~

A copy of the VAWA notice of occupancy rights (see section 16-VII.C)

A copy of form HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

A copy of the utility allowance used for the unit

The Privacy Act/Consent Form

A copy of the SHA's smoke free policy

Topics to be discussed will include:

Applicable deposits and other charges

Review and explanation of lease provisions

Unit maintenance and work orders

The SHA's reporting requirements

Review and Explanation of occupancy forms

Community service requirements

Family choice of rent

VAWA Protections

Smoke-Free Policies

8-I.C. EXECUTION OF LEASE

The lease must be executed by the tenant and the SHAPHA, except for automatic renewals of a lease [24 CFR 966.4(a)(3)].

A lease is executed at the time of admission for all new residents. A new lease is also executed at the time of transfer from one SHA-PHA unit to another.

The lease must state the composition of the household as approved by the SHA-PHA (family members and any SHAPHA-approved live-in aide) [24 CFR 966.4(a)(1)(v)]. See Section 8-I.D. for policies regarding changes in family composition during the lease term.

SHA Policy

The head of household, spouse or cohead, and all other adult members of the household will be required to sign the public housing lease prior to admission. An appointment will be scheduled for the parties to execute the lease. The head of household will be provided a copy of the executed lease and the SHA will retain a copy in the resident's file.

Files for households that include a live-in aide will contain file documentation signed by the live-in aide, that the live-in aide is not a party to the lease and is not entitled to SHA assistance. The live-in aide is only approved to live in the unit while serving as the care attendant for the participant family member who requires the care.

8-I.D. MODIFICATIONS TO THE LEASE

The lease may be modified at any time by written agreement of the tenant and the **SHA-PHA** [24 CFR 966.4(a)(3)].

Modifications to the Lease Form

The **SHA-PHA** may modify its lease from time to time. However, the **SHA-PHA** must give residents 30 days advance notice of the proposed changes and an opportunity to comment on the changes. The **SHA-PHA** must also consider any comments before formally adopting the new lease [24 CFR 966.3].

After proposed changes have been incorporated into the lease and approved by the Board, each family must be notified at least 60 days in advance of the effective date of the new lease or lease revision. A resident's refusal to accept permissible and reasonable lease modifications that are made in accordance with HUD requirements, or are required by HUD, is grounds for termination of tenancy [24 CFR 966.4(l)(2)(iii)(E)].

SHA Policy

The family will have 30 days to accept the revised lease. If the family does not accept the offer of the revised lease within that 30 day timeframe, the family's tenancy will be terminated for other good cause in accordance with the policies in Chapter 13.

Schedules of special charges and rules and regulations are subject to modification or revision. Because these schedules are incorporated into the lease by reference, residents and resident organizations must be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and must be given an opportunity to present written comments. The notice must be delivered directly or mailed to each tenant; or posted in at least three conspicuous places within each structure or building in which the affected dwelling units are located, as well as in a conspicuous place at the project office, if any, or if none, a similar central business location within the project. Comments must be taken into consideration before any proposed modifications or revisions become effective [24 CFR 966.5].

After the proposed revisions become effective they must be publicly posted in a conspicuous manner in the project office and must be furnished to applicants and tenants on request [24 CFR 966.5].

SHA Policy

When the SHA proposes to modify or revise schedules of special charges or rules and regulations, the SHA will post a copy of the notice in the central office, and will mail a copy of the notice to each resident family. Documentation of proper notice will be included in each resident file.

Other Modifications

SHA Policy

The lease will be amended to reflect all changes in family composition.

If, for any reason, any member of the household ceases to reside in the unit, the lease will be amended by drawing a line through the person's name. The head of household and SHA will be required to initial and date the change.

If a new household member is approved by the SHA to reside in the unit, the person's name and birth date will be added to the lease. The head of household and SHA will be required to initial and date the change. If the new member of the household is an adult, s/he will also be required to sign and date the lease.

Policies governing when and how changes in family composition must be reported are contained in Chapter 9, Reexaminations.

8-I.E. SECURITY DEPOSITS [24 CFR 966.4(b)(5)]

At the option of the ~~SHAPHA~~, the lease may require security deposits. The amount of the security deposit cannot exceed one month's rent or a reasonable fixed amount as determined by the ~~SHAPHA~~. The ~~SHA-PHA~~ may allow for gradual accumulation of the security deposit by the family, or the family may be required to pay the security deposit in full prior to occupancy. Subject to applicable laws, interest earned on security deposits may be refunded to the tenant after vacating the unit, or used for tenant services or activities.

SHA Policy

Residents must pay a security deposit to the SHA at the time of admission equal to the calculated Total Tenant Payment but not to exceed \$300. The SHA may permit installment payments of security deposits when a new tenant demonstrates a financial hardship to the satisfaction of the SHA. However, no less than one-half of the required deposit must be paid before occupancy. The remainder of the deposit will be set up on equal increments to be paid in full within 90 days.

The SHA will hold the security deposit for the period the family occupies the unit. The SHA will not use the security deposit for rent or other charges while the resident is living in the unit.

Within 30 days of move-out, the SHA will refund to the resident the amount of the security deposit (including interest earned on the security deposit), less any amount needed to pay the cost of unpaid rent, damages listed on the move-out inspection report that exceed normal wear and tear, and other charges due under the lease.

The SHA will provide the resident with a written list of any charges against the security deposit within 10 business days of the move-out inspection. If the resident disagrees with the amount charged, the SHA will provide a meeting to discuss the charges.

If the resident transfers to another unit, the SHA will transfer the security deposit to the new unit. The tenant will be billed for any maintenance or other charges due for the "old" unit.

8-I.F. PAYMENTS UNDER THE LEASE

Rent Payments [24 CFR 966.4(b)(1)]

Families must pay the amount of the monthly tenant rent determined by the SHA-PHA in accordance with HUD regulations and other requirements. The amount of the tenant rent is subject to change in accordance with HUD requirements.

The lease must specify the initial amount of the tenant rent at the beginning of the initial lease term, and the SHA-PHA must give written notice stating any change in the amount of tenant rent and when the change is effective.

SHA Policy

The tenant rent is due and payable at the SHA-designated location on the first of every month. If the first falls on a weekend or holiday, the rent is due and payable on the first business day thereafter.

If a family's tenant rent changes, the SHA will notify the family of the new amount and the effective date by sending a "Notice of Rent Adjustment" which will become an attachment to the lease.

Late Fees and Nonpayment

At the option of the **SHAPHA**, the lease may provide for payment of penalties when the family is late in paying tenant rent [24 CFR 966.4(b)(3)].

The lease must provide that late payment fees are not due and collectible until two weeks after the **SHA-PHA** gives written notice of the charges. The written notice is considered an adverse action, and must meet the requirements governing a notice of adverse action [24 CFR 966.4(b)(4)].

The notice of proposed adverse action must identify the specific grounds for the action and inform the family of their right for a hearing under the **SHA-PHA** grievance procedures. The **SHA-PHA** must not take the proposed action until the time for the tenant to request a grievance hearing has expired, or (if a hearing was requested within the required timeframe,) the grievance process has been completed [24 CFR 966.4(e)(8)].

SHA Policy

If the family fails to pay their rent by the fifth day of the month, and the SHA has not agreed to accept payment at a later date, a 14 day Notice to Vacate will be issued to the resident for failure to pay rent, demanding payment in full or the surrender of the premises.

In addition, if the resident fails to make payment by the end of office hours on the fifth day of the month, a late fee of \$15.00 will be charged ~~to public housing residents.~~ ~~Residents of Notices of Notices~~ of late fees will be in accordance with requirements regarding notices of adverse action. Charges are due and payable 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, the SHA may not take action for nonpayment of the fee until the conclusion of the grievance process. If the resident can document financial hardship, the late fee may be waived on a case-by-case basis.

When a check is returned for insufficient funds or is written on a closed account, the rent will be considered unpaid and a returned check fee of \$25.00 will be charged to the family. The fee will be due and payable 14 days after billing.

Excess Utility Charges

If the SHA-PHA charges the tenant for consumption of excess utilities, the lease must state the basis for the determination of such charges. The imposition of charges for consumption of excess utilities is permissible only if the charges are determined by an individual check meter servicing the leased unit or result from the use of major tenant-supplied appliances [24 CFR 966.4(b)(2)].

Schedules of special charges for utilities that are required to be incorporated in the lease by reference must be publicly posted in a conspicuous manner in the development office and must be furnished to applicants and tenants on request [24 CFR 966.5].

The lease must provide that charges for excess utility consumption are not due and collectible until two weeks after the SHA-PHA gives written notice of the charges. The written notice is considered an adverse action, and must meet the requirements governing a notice of adverse action [24 CFR 966.4(b)(4)].

The notice of proposed adverse action must identify the specific grounds for the action and inform the family of their right for a hearing under the SHA-PHA grievance procedures. The SHA-PHA must not take the proposed action until the time for the tenant to request a grievance hearing has expired, or (if a hearing was requested within the required timeframe,) the grievance process has been completed [24 CFR 966.4(e)(8)].

SHA Policy

When applicable, families will be charged for excess utility usage according to the SHA's current posted schedule. Notices of excess utility charges will be mailed monthly and will be in accordance with requirements regarding notices of adverse actions. Charges will be due and payable the first of the month falling 14 calendar days after billing.

If the family requests a grievance hearing within the required timeframe, the SHA may not take action for nonpayment of the charges until the conclusion of the grievance process.

Nonpayment of excess utility charges is a violation of the lease and is grounds for eviction.

Maintenance and Damage Charges

If the **SHA-PHA** charges the tenant for maintenance and repair beyond normal wear and tear, the lease must state the basis for the determination of such charges [24 CFR 966.4(b)(2)].

Schedules of special charges for services and repairs which are required to be incorporated in the lease by reference must be publicly posted in a conspicuous manner in the development office and must be furnished to applicants and tenants on request [24 CFR 966.5].

The lease must provide that charges for maintenance and repair beyond normal wear and tear are not due and collectible until two weeks after the **SHA-PHA** gives written notice of the charges. The written notice is considered an adverse action, and must meet the requirements governing a notice of adverse action [24 CFR 966.4(b)(4)].

The notice of proposed adverse action must identify the specific grounds for the action and inform the family of their right for a hearing under the **SHA-PHA** grievance procedures. The **SHA-PHA** must not take the proposed action until the time for the tenant to request a grievance hearing has expired, or (if a hearing was requested within the required timeframe,) the grievance process has been completed [24 CFR 966.4(e)(8)].

SHA Policy

When applicable, families will be charged for maintenance and/or damages according to the SHA's current schedule. Work that is not covered in the schedule will be charged based on the actual cost of labor and materials to make needed repairs (including overtime, if applicable).

Notices of maintenance and damage charges will be mailed monthly and will be in accordance with requirements regarding notices of adverse actions. Charges are due and payable the first of the month falling 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, the SHA may not take action for nonpayment of the charges until the conclusion of the grievance process.

Nonpayment of maintenance and damage charges is a violation of the lease and is grounds for eviction.

PART II: INSPECTIONS

8-II.A. OVERVIEW

HUD rules-regulations require the SHA-PHA to inspect each dwelling unit prior to move-in, at move-out, and annually during occupancy. In addition, the SHA-PHA may require additional inspections, in accordance with SHA-PHA Policy. This part contains the SHA's-PHA's policies governing inspections, notification of unit entry, and inspection results.

8-II.B. TYPES OF INSPECTIONS

Move-In Inspections [24 CFR 966.4(i)]

The lease must require the SHA-PHA and the family to inspect the dwelling unit prior to occupancy in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by the SHA-PHA and the resident, must be provided to the tenant and be kept in the resident file.

SHA Policy

Any adult family member may attend the initial inspection and sign the inspection form for the head of household.

Move-Out Inspections [24 CFR 966.4(i)]

The SHA-PHA must inspect the unit at the time the resident vacates the unit and must allow the resident to participate in the inspection if he or she wishes, unless the tenant vacates without notice to the SHAPHA. The SHA-PHA must provide to the tenant a statement of any charges to be made for maintenance and damage beyond normal wear and tear.

The difference between the condition of the unit at move-in and move-out establishes the basis for any charges against the security deposit so long as the work needed exceeds that for normal wear and tear.

SHA Policy

If the resident is present during the move out inspection, the resident shall receive a copy of the inspection form, noting any areas of resident damage.

The SHA will provide the tenant with a statement of charges to be made for maintenance and damage beyond normal wear and tear within 30 days of conducting the move out inspection.

Annual Inspections [24 CFR 5.705]

Section 6(f)(3) of the United States Housing Act of 1937 requires that PHAs inspect each public housing project annually to ensure that the project's units are maintained in decent, safe, and sanitary condition. The PHA shall continue using the Uniform Physical Condition Standards (UPCS) in 24 CFR 5, Subpart G, Physical Condition Standards and Inspection Requirements, to conduct annual project inspections. These standards address the inspection of the site area, building systems and components, and dwelling units.

~~Under the Public Housing Assessment System (PHAS), the SHA is required to inspect all occupied units annually using HUD's Uniform Physical Condition Standards (UPCS) [24 CFR 902.43(a)(4)].~~

SHA Policy

The SHA and/or a third party vendor will inspect all occupied units annually using HUD's Uniform Physical Condition Standards (UPCS).

Quality Control Inspections

The purpose of quality control inspections is to assure that all defects were identified in the original inspection, and that repairs were completed at an acceptable level of craftsmanship and within an acceptable time frame

SHA Policy

Supervisory quality control inspections will be conducted in accordance with the SHA's maintenance plan.

Special Inspections

SHA Policy

SHA staff may conduct a special inspection for any of the following reasons:

- Housekeeping

- Unit condition

- Suspected lease violation

- Preventive maintenance

- Routine maintenance

- There is reasonable cause to believe an emergency exists

Other Inspections

SHA Policy

Building exteriors, grounds, common areas and systems will be inspected according to the SHA's maintenance plan.

8-II.C. NOTICE AND SCHEDULING OF INSPECTIONS

Notice of Entry

Non-emergency Entries [24 CFR 966.4(j)(1)]

The SHA-PHA may enter the unit, with reasonable advance notification to perform routine inspections and maintenance, make improvements and repairs, or to show the unit for re-leasing. A written statement specifying the purpose of the SHA-PHA entry delivered to the dwelling unit at least two days before such entry is considered reasonable advance notification.

SHA Policy

The SHA will notify the resident in writing at least 48 hours prior to any non-emergency inspection.

For regular annual inspections, the family will receive a 48 hour written notice of the inspection.

Entry for repairs requested by the family will not require prior notice. Resident-requested repairs presume permission for the SHA to enter the unit.

Emergency Entries [24 CFR 966.4(j)(2)]

The SHA-PHA may enter the dwelling unit at any time without advance notice when there is reasonable cause to believe that an emergency exists. If no adult household member is present at the time of an emergency entry, the SHA-PHA must leave a written statement showing the date, time and purpose of the entry prior to leaving the dwelling unit.

Scheduling of Inspections

SHA Policy

Inspections will be conducted during business hours. If a family needs to reschedule an inspection, they must notify the SHA at least 24 hours prior to the scheduled inspection. The SHA will reschedule the inspection no more than once unless the resident has a verifiable good cause to delay the inspection. The SHA may request verification of such cause.

Attendance at Inspections

Residents are required to be present for move-in inspections [24 CFR 966.4(i)]. There is no such requirement for other types of inspections.

SHA Policy

Except at move-in inspections, the resident is not required to be present for the inspection. The resident may attend the inspection if he or she wishes.

If no one is at home, the inspector will enter the unit, conduct the inspection and leave a copy of the inspection report in the unit.

8-II.D. INSPECTION RESULTS

The SHA-PHA is obligated to maintain dwelling units and the project in decent, safe and sanitary condition and to make necessary repairs to dwelling units [24 CFR 966.4(e)].

Emergency Repairs [24 CFR 966.4(h)]

If the unit is damaged to the extent that conditions are created which are hazardous to the life, health, or safety of the occupants, the tenant must immediately notify the SHA-PHA of the damage, and the SHA-PHA must make repairs within a reasonable time frame.

If the damage was caused by a household member or guest, the SHA-PHA must charge the family for the reasonable cost of repairs. The SHA-PHA may also take lease enforcement action against the family.

If the SHA-PHA cannot make repairs quickly, the SHA-PHA must offer the family standard alternative accommodations. If the SHA-PHA can neither repair the defect within a reasonable time frame nor offer alternative housing, rent shall be abated in proportion to the seriousness of the damage and loss in value as a dwelling. Rent shall not be abated if the damage was caused by a household member or guest, or if the resident rejects the alternative accommodations.

SHA Policy

When conditions in the unit are hazardous to life, health, or safety, the SHA will make repairs or otherwise abate the situation within 24 hours.

Defects hazardous to life, health or safety include, but are not limited to, the following:

- Any condition that jeopardizes the security of the unit

- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling

- Natural or LP gas or fuel oil leaks

- Any electrical problem or condition that could result in shock or fire

- Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit

- Utilities not in service, including no running hot water

- Conditions that present the imminent possibility of injury

- Obstacles that prevent safe entrance or exit from the unit

- Absence of a functioning toilet in the unit

- Inoperable smoke detectors

Non-emergency Repairs

SHA Policy

The SHA will correct non-life threatening health and safety defects within 15 business days of the inspection date. If the SHA is unable to make repairs within that period due to circumstances beyond the SHA's control (e.g. required parts or services are not available, weather conditions, etc.) the SHA will notify the family of an estimated date of completion. Urgent defects shall be repaired within 48 hours of notification.

The family must allow the SHA access to the unit to make repairs.

Resident-Caused Damages

SHA Policy

Damages to the unit beyond wear and tear will be billed to the tenant in accordance with the policies in 8-I.G., Maintenance and Damage Charges.

Repeated or excessive damages to the unit beyond normal wear and tear will be considered a serious or repeated violation of the lease.

Housekeeping

SHA Policy

Residents whose housekeeping habits pose a non-emergency health or safety risk, encourage insect or rodent infestation, or cause damage to the unit are in violation of the lease. In these instances, the SHA will provide proper notice of a lease violation.

A reinspection will be conducted within 7 business days to confirm that the resident has complied with the requirement to abate the problem. Failure to abate the problem or allow for a reinspection is considered a violation of the lease and may result in termination of tenancy in accordance with Chapter 13.

Notices of lease violation will also be issued to residents who purposely disengage the unit's smoke detector. Only one warning will be given. A second incidence will result in lease termination.

EXHIBIT 8-1: SHA SMOKE-FREE POLICY

In accordance with HUD regulations, the Housing Authority of City of Spartanburg (SHA) has adopted these smoke-free policies. The policies are effective as of July 30, 2018.

Due to the increased risk of fire, increased maintenance costs, and the known health effects of secondhand smoke, smoking is prohibited in all living units and interior areas, including but not limited to hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures. Smoking is also prohibited in outdoor areas within 25 feet from public housing and administrative office buildings.

This policy applies to all employees, residents, household members, guests, and service persons. Residents are responsible for ensuring that household members and guests comply with this rule.

The term “smoking” means any inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, or other prohibited tobacco product in any manner or any form. Prohibited tobacco products include water pipes or hookahs.

Violation of the smoke-free policy constitutes a violation of the terms of the public housing lease. Consequences of lease violations include termination of tenancy.

SHA POLICIES

Designated Smoking Areas (DSA)

The SHA has established designated smoking areas at Archibald Rutledge Hi-Rise and Archibald Village Apartments. Residents using the designated smoking areas must extinguish all smoking materials and dispose of them safely in receptacles provided for that purpose.

The SHA has not designated any smoking areas at Victoria Gardens, Cambridge Place, Camp Croft Courts, or Prince Hall Apartments. Residents may not discard smoking products on the property.

Electronic Nicotine Delivery Systems (ENDS)

Electronic nicotine delivery systems (ENDS) include e-cigarettes, nicotine inhalers, and vaping devices.

Use of ENDS is permitted in public housing units only as a reasonable accommodation approved by the SHA that necessary for a person with disabilities. Use of ENDS is prohibited in common areas and in outdoor areas within 25 feet from housing and administrative buildings. That is, use of ENDS is prohibited in all areas in which smoking is prohibited.

Effective Date

The SHA's effective date(s) of this smoke-free policy is/are as follows:

The smoke-free policy will be effective for all residents, household members, employees, guests, and service persons on July 30, 2018.

The smoke-free policy will take effect at the next annual lease renewal for each resident household. Residents must execute a smoke-free lease addendum as part of the annual lease renewal process. Regardless of the lease renewal date, all residents must be in compliance with the smoke-free policy no later than July 30, 2018.

Enforcement

The SHA must enforce smoke-free policies when a resident violates this policy. When enforcing the lease, the SHA will provide due process and allow residents to exercise their right to an informal settlement and formal hearing. The SHA will not evict a resident for a single incident of smoking in violation of this policy. As such, the SHA will implement a graduated enforcement framework that includes escalating warnings. Prior to pursuing eviction for violation of smoke-free policies, the SHA will take specific, progressive monitoring and enforcement actions, while at the same time educating tenants and providing smoking cessation information. The lease will identify the actions that constitute a policy violation, quantify the number of documented, verified violations that warrant enforcement action; state any disciplinary actions that will be taken for persistent non-responsiveness or repeated noncompliance, and state how many instances on noncompliance will constitute a violation. Tenancy termination and eviction will be pursued only as a last resort. The SHA may terminate tenancy at any time for violations of the lease and failure to otherwise fulfill household obligations if resident behavior disturbs other residents' peaceful enjoyment and is not conducive to maintaining the property in a decent, safe, and sanitary condition.

Violation 1: Upon issuance of a written warning from the property manager and/or a documented complaint, the SHA will increase the frequency of unit inspections for a suspected policy violator. The SHA may enter the unit, with reasonable advance notification to perform inspections. A written statement specifying the purpose of the SHA entry delivered to the dwelling unit at least two days before such entry is considered reasonable advance notification

Violation 2: The SHA will provide information and resources on smoking cessations, including: Information may be provided from the American Lung Association, The Forrester Center, DHEC, etc.

Violation 3: The SHA will provide a mandatory referral to The Forrester Center or other agency that provides information or resources on smoking cessations.

Violation 4: Repeated violations of four or more of the smoke-free policy may rise to the level of other good cause for termination of tenancy.

If the resident does not have any new violations for 6 months, the resident will be considered to have a clear record, and no further enforcement action will be taken.

Reasonable Accommodation

While addiction to nicotine or smoking is not a disability, the SHA will provide reasonable accommodation to persons with disabilities who smoke that are in compliance with the requirements of this smoke-free policy.

Chapter 9

REEXAMINATIONS

[24 CFR 960.257, 960.259, 966.4]

INTRODUCTION

The PHA is required to ~~reexamine~~~~monitor~~ each family's income and composition ~~periodically over time~~, and to adjust the family's rent accordingly. PHAs must adopt policies ~~for conducting concerning the conduct of~~ annual and interim reexaminations that are consistent with regulatory requirements, and must conduct reexaminations in accordance with such policies [24 CFR 960.257(c)].

The frequency with which the PHA must reexamine ~~the income and composition~~ ~~offer for~~ a family depends on whether the family pays income-based ~~rent~~ or flat rent. HUD requires the PHA to offer all families the choice of paying income-based rent or flat rent at least annually. The PHA's policies for offering families a choice of rents are located in Chapter 6.

This chapter discusses both annual and interim reexaminations.

Part I: Annual Reexaminations for Families Paying Income Based Rents. This part discusses the requirements for annual reexamination of income and family composition. Full reexaminations are conducted at least once a year for families paying income-based rents.

Part II: Reexaminations for Families Paying Flat Rents. This part contains the PHA's SHA's policies for conducting full reexaminations of family income and composition for families paying flat rents. These full reexaminations are conducted at least once every 3 years. This part also contains the PHA's SHA's policies for conducting annual updates of family composition for flat rent families.

Part III: Interim Reexaminations. This part includes HUD requirements and PHA policies related to when a family may and must report changes that occur between annual reexaminations.

Part IV: Recalculating Tenant Rent. After gathering and verifying required information for an annual or interim reexamination, the PHA must recalculate the tenant rent. While the basic policies that govern these calculations are provided in Chapter 6, this part ~~describes the lays out~~ policies that affect these calculations during a reexamination.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this ACOP, apply to annual and interim reexaminations.

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PART I: ANNUAL REEXAMINATIONS FOR FAMILIES PAYING INCOME-BASED RENTS [24 CFR 960.257]

9-I.A. OVERVIEW

For those families who choose to pay income-based rent, the PHA must conduct a reexamination of income and family composition at least annually [24 CFR 960.257(a)(1)]. For families who choose flat rents, the PHA must conduct a reexamination of family composition at least annually, and must conduct a reexamination of family income at least once every 3 years [24 CFR 960.257(a)(2)]. Policies related to the reexamination process for families paying flat rent are located in Part II of this chapter.

For all residents of public housing, whether those residents are paying income-based or flat rents, the PHA must conduct an annual review of community service requirement compliance. This annual reexamination is also a good time to have residents sign consent forms for criminal background checks in case the criminal history of a resident is needed at some point ~~for to~~ determine the ~~purposes of~~ need for lease enforcement or eviction.

The PHA is required to obtain ~~all of the~~ information ~~necessary~~ needed to conduct reexaminations. How that information will be collected is left to the discretion of the SHAPHA. Families are required to provide current and accurate information on income, assets, allowances and deductions, family composition and community service compliance as part of the reexamination process [24 CFR 960.259].

This part contains the PHA's policies for conducting annual reexaminations.

9-I.B. STREAMLINED ANNUAL REEXAMINATIONS [24 CFR 960.257]

HUD permits PHAs to streamline the income determination process for family members with fixed sources of income. While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years the PHA may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest. The PHA may, however, obtain third-party verification of all income, regardless of the source. Further, upon request of the family, the PHA must perform third-party verification of all income sources.

Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.

SHA Policy

The SHA will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed-income sources. The SHA will document in the file how the determination that a source of income was fixed was made.

If a family member with a fixed source of income is added, the SHA will use third-party verification of all income amounts for that family member.

If verification of the COLA or rate of interest is not available, the SHA will obtain third-party verification of income amounts.

Third-party verification of fixed sources of income will be obtained during the intake process and at least once every three years thereafter.

9-I.C. SCHEDULING ANNUAL REEXAMINATIONS

The PHA must establish a policy to ensure that the annual reexamination for each family paying an income-based rent is completed within a 12 month period [24 CFR 960.257(a)(1)].

SHA Policy

Generally, the SHA will schedule annual reexaminations to coincide with the family's anniversary date. The SHA will begin the annual reexamination process ~~no earlier than~~ approximately 120 days, but no later than 90 days in advance of the scheduled effective date.

Anniversary date is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

In order to be recertified, families are required to provide current and accurate information on income, assets, allowances and deductions, and family composition.

Families who choose flat rent are to be recertified every three years. For families who move in on the first of the month, the annual recertification will be completed within 12 months of the anniversary of the move-in date.

For families who move in during the month, the annual ~~recertification~~reexamination will be completed no later than the first of the month in which the family moved in the following year. (i.e. If family moved in August 15, the effective date of the next annual recertification is August 1st)

When families transfer to another dwelling unit the annual ~~recertification~~reexamination date will not change.

The SHA may also schedule ~~a recertification~~an annual reexamination for completion prior to the anniversary date if deemed necessary for administrative purposes.

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Notification of and Participation in the Annual Reexamination Process

The PHA is required to obtain information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of the PHA. [However, PHAs should give tenants who were not provided the opportunity to provide contact information at the time of admission the option to complete Form HUD-92006 at this time. The PHA should provide the family with the opportunity to update, change, or remove information from the HUD-92006 at the time of the annual reexamination \[Notice PIH 2009-36\].](#)

SHA Policy

Families [generally](#) are required to participate in an annual reexamination interview, which must be attended by the head of household, spouse, or cohead, and all members 18 years of age or older. If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact the SHA to request a reasonable accommodation.

Notification of annual reexamination interviews will be sent by first-class mail and will contain the date, time, and location of the interview. In addition, it will inform the family of the information and documentation that must be brought to the interview.

If the family is unable to attend a scheduled interview, the family should contact the SHA in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend the scheduled interview the SHA will send a second notification with a new interview appointment time.

If a family fails to attend two scheduled interviews without SHA approval, the family will be in violation of their lease and may be terminated in accordance with the policies in Chapter 13.

An advocate, interpreter, or other assistant may assist the family in the interview process.

9-I.DC. CONDUCTING ANNUAL REEXAMINATIONS

The terms of the public housing lease require the family to furnish information [regarding income and family composition as may be](#) necessary for the redetermination of rent, [eligibility, and the appropriateness of the housing unit and family composition](#) [24 CFR 966.4(c)(2)].

SHA Policy

Families will be asked to bring all required information (as described in the reexamination notice) to the reexamination appointment. The required information will include a SHA-designated reexamination form, an Authorization for the Release of Information/Privacy Act Notice, as well as supporting documentation related to the family's income, expenses, and family composition.

Any required documents or information that the family is unable to provide at the time of the interview must be provided within 10 business days of the interview. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension.

If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be in violation of their lease and may be terminated in accordance with the policies in Chapter 13.

The information provided by the family generally must be verified in accordance with the policies in Chapter 7. Unless the family reports a change, or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:

- Legal identity
- Age
- Social security numbers
- A person's disability status
- Citizenship or immigration status

Change in Unit Size

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. The PHA may use the results of the annual reexamination to require the family to move to an appropriate size unit [24 CFR 960.257(a)(4)]. Policies related to such transfers are located in Chapter 12.

Criminal Background Checks

Information obtained through criminal background checks may be used for lease enforcement and eviction [24 CFR 5.903(e)(1)(ii)]. Criminal background checks of residents will be conducted in accordance with the policy in Section 13-IV.B.

SHA Policy

Each household member age 18 and over will be required to execute a consent form for a criminal background check as part of the annual reexamination process.

Additionally, HUD recommends that at annual reexaminations PHAs ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state [Notice PIH 2012-28].

SHA Policy

At the annual reexamination, the SHA will ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state. The SHA will use the Dru Sjodin National Sex Offender database to verify the information provided by the tenant.

If the PSHA proposes to terminate assistance based on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to termination. [24 CFR 5.903(f) and 5.905(d)]. (See Chapter 13.)

Compliance with Community Service

For families who include nonexempt individuals, the PHA must determine compliance with community service requirements once each 12 months [24 CFR 960.257(a)(3)].

See Chapter 11 for the PHA's policies governing compliance with the community service requirement.

9-I.~~ED~~. EFFECTIVE DATES

As part of the annual reexamination process, the PHA must make appropriate adjustments in the rent after consultation with the family and upon verification of the information [24 CFR 960.257(a)(1)].

SHA Policy

In general, an *increase* in the tenant rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.

If the SHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the SHA, but will always allow for the 30-day notice period.

If the family causes a delay in processing the annual reexamination, *increases* in the ~~tenant~~family share of the rent will be applied retroactively, to the scheduled effective date of the annual reexamination. The family will be responsible for any underpaid rent and may be offered a repayment agreement in accordance with the policies in Chapter ~~-16~~.

In general, a *decrease* in the tenant rent that results from an annual reexamination will take effect on the family's anniversary date.

If the SHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the SHA.

If the family causes a delay in processing the annual reexamination, *decreases* in the ~~tenant~~family share of the rent will be applied prospectively, from the first day of the month following completion of the reexamination processing.

Delays in reexamination processing are considered to be caused by the family if the family fails to provide information requested by the SHA by the date specified, and this delay prevents the SHA from completing the reexamination as scheduled.

PART II: REEXAMINATIONS FOR FAMILIES PAYING FLAT RENTS

[24 CFR 960.257(2)]

9-II.A. OVERVIEW

HUD requires that the PHA offer all families the choice of paying income-based rent or flat rent at least annually. The PHA's policies for offering families a choice of rents are located in Chapter 6.

For families who choose flat rents, the PHA must conduct a reexamination of family composition at least annually, and must conduct a reexamination of family income at least once every 3 years [24 CFR 960.257(a)(2)]. The PHA is only required to provide the amount of income-based rent the family might pay in those years that the PHA conducts a full reexamination of income and family composition, or upon request of the family after the family submits updated income information [24 CFR 960.253(e)(2)].

As it does for families that pay income-based rent, ~~on an annual basis,~~ the PHA must also review [compliance with the community service requirement for families with nonexempt individuals](#)~~compliance and should have each adult resident consent to a criminal background check.~~

This part contains the PHA's policies for conducting reexaminations of families who choose to pay flat rents.

9-II.B. FULL REEXAMINATION OF FAMILY INCOME AND COMPOSITION

Frequency of Reexamination

SHA Policy

For families paying flat rents, the SHA will conduct a full reexamination of family income and composition once every 3 years.

Reexamination Policies

SHA Policy

In conducting full reexaminations for families paying flat rents, the SHA will follow the policies used for the annual reexamination of families paying income-based rent as set forth in Sections 9-I.B through 9-I.D above.

9-II.C. REEXAMINATION OF FAMILY COMPOSITION (“ANNUAL UPDATE”)

As noted above, full reexaminations are conducted every 3 years for families paying flat rents. In the years between full reexaminations, regulations require the PHA to conduct a reexamination of family composition (“annual update”) [24 CFR 960.257(a)(2)].

The annual update process is similar to the annual reexamination process, except that the PHA does not collect information about the family’s income and expenses, and the family’s rent is not recalculated following an annual update.

Scheduling

The PHA must establish a policy to ensure that the reexamination of family composition for families choosing to pay the flat rent is completed at least annually [24 CFR 960.257(a)(2)].

SHA Policy

For families paying flat rents, annual updates will be conducted in each of the 2 years following the full reexamination.

In scheduling the annual update, the SHA will follow the policy used for scheduling the annual reexamination of families paying income-based rent as set forth in Section 9-I.B. above.

Conducting Annual Updates

The terms of the public housing lease require the family to furnish information necessary for the redetermination of rent and family composition [24 CFR 966.4(c)(2)].

SHA Policy

The Generally the family will **not** be required to attend an interview for an annual update. However, if the SHA determines that an interview is warranted, the family may be required to attend. Information for the annual update will be uploaded by the family using the resident portal in the SHA’s system of record.

Notification of the annual update ~~will~~may be sent by first-class mail or via email through the SHA’s system of record and will inform the family of the information and documentation that must be provided to the SHA. The family will have 10 business days to submit the required information to the SHA. If the family is unable to obtain the information or documents within the required time frame, the family may request an extension. The SHA will accept required documentation by upload to the system, mail, by fax, or in person. The preferable method will be to upload the information into the system of record.

If the family’s submission is incomplete, or the family does not submit the information in the required time frame, the SHA will send a second written notice to the family. The family will have 10 business days from the date of the second notice to provide the missing information or documentation to the SHA.

If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be in violation of their lease and may be terminated in accordance with the policies in Chapter 13.

Change in Unit Size

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. The PHA may use the results of the annual update to require the family to move to an appropriate size unit [24 CFR 960.257(a)(4)]. Policies related to such transfers are located in Chapter 12.

Criminal Background Checks

Information obtained through criminal background checks may be used for lease enforcement and eviction [24 CFR 5.903(e)]. Criminal background checks of residents will be conducted in accordance with the policy in Section 13-IV.B.

SHA Policy

Each household member age 18 and over will be required to execute a consent form for criminal background check as part of the annual update process.

Compliance with Community Service

For families who include nonexempt individuals, the PHA must determine compliance with community service requirements once each 12 months [24 CFR 960.257(a)(3)].

See Chapter 11 for the PHA's policies governing compliance with the community service requirement.

PART III: INTERIM REEXAMINATIONS [24 CFR 960.257; 24 CFR 966.4]

9-III.A. OVERVIEW

Family circumstances may change ~~during throughout~~ the period between annual reexaminations. HUD and PHA policies ~~define the types~~~~dietate what kinds~~ of information about changes in family circumstances ~~that~~ must be reported, and under what circumstances the PHA must process interim reexaminations to reflect those changes. HUD regulations also permit the PHA to conduct interim reexaminations of income or family composition at any time.

In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition change. The PHA must complete the interim reexamination within a reasonable time after the family's request.

This part includes HUD and PHA policies ~~that describe the~~~~describing what~~ changes families are ~~required to report,~~ ~~the what~~ changes families ~~may choose to report,~~ and how the PHA will process both PHA- and family-initiated interim reexaminations.

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9-III.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION

The PHA must adopt policies prescribing when and under what conditions the family must report changes in family composition. However, due to provisions of the public housing lease, the PHA has limited discretion in this area.

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. Policies related to such transfers are located in Chapter 12.

SHA Policy

Changes must be reported in writing within ten business days of the occurrence.

All families, those paying income-based rent as well as flat rent, must report all changes in family and household composition that occur between annual reexaminations (or annual updates).

The SHA will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

New Family Members Not Requiring Approval

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require PHA approval. However, the family is required to promptly notify the PHA of the addition [24 CFR 966.4(a)(1)(v)].

SHA Policy

The family must inform the SHA of the birth, adoption, or court-awarded custody of a child within 10 business days in writing and provide the appropriate documentation.

New Family and Household Members Requiring Approval

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request PHA approval to add a new family member [24 CFR 966.4(a)(1)(v)] or other household member (live-in aide or foster child) [24 CFR 966.4(d)(3)].

The PHA may adopt reasonable policies concerning residence by a foster child or a live-in aide, and defining the circumstances in which PHA consent will be given or denied. Under such policies, the factors considered by the PHA may include [24 CFR 966.4(d)(3)(i)]:

- Whether the addition of a new occupant may necessitate a transfer of the family to another unit, and whether such units are available.
- The PHA's obligation to make reasonable accommodation for ~~handicapped~~ persons with disabilities.

SHA Policy

Families must request SHA approval to add a new family member, live-in aide, foster child, or foster adult, in writing prior to the person residing in the unit. This includes any person not on the lease who is expected to stay in the unit for more than 14 ~~consecutive calendar~~ cumulative days ~~or a total of 30 cumulative calendar days~~ during any 12-month period; and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by the SHA prior to the individual moving into the unit.

If adding a person to a household ~~The SHA will not approve the addition of new family or household members other than a child by birth, adoption, or court-awarded custody, or marriage, if it~~ will require ~~the family to~~ transfer to a larger size unit (under the transfer policy in Chapter 12), the SHA will approve the addition only if ~~unless~~ the family can demonstrate that there are medical needs or other extenuating circumstances, including reasonable accommodation, that should be considered by the SHA. Exceptions will be made on a case-by-case basis.

The SHA will not approve the addition of a new family or household member unless the individual meets the SHA's eligibility criteria (see Chapter 3) and documentation requirements (See Chapter 7, Part II).

If the SHA determines that an individual does not meet the SHA's eligibility criteria or documentation requirements as defined in Chapter 3, the SHA will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

The SHA will make its determination within 10 business days of receiving all information required to verify the individual's eligibility.

Departure of a Family or Household Member

SHA Policy

If a family member ceases to reside in the unit, the family must inform the SHA in writing within 10 business days. This requirement also applies to family members who had been considered temporarily absent, who are now permanently absent.

If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform the SHA within 10 business days.

9-III.C. CHANGES AFFECTING INCOME OR EXPENSES

Interim reexaminations can be scheduled either because the PHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. When a family reports a change, the PHA may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so.

SHA Policy

This section only applies to families paying income-based rent. Families paying flat rent are not required to report changes in income or expenses.

PHA-initiated Interim Reexaminations

PHA-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by the PHA. They are not scheduled because of changes reported by the family.

SHA Policy

The SHA will conduct interim reexaminations in each of the following instances:

For families receiving the Earned Income Disallowance (EID), the SHA will conduct an interim reexamination at the start, to adjust the exclusion with any changes in income, and at the conclusion of the ~~24-second 12-month~~ eligibility~~exclusion~~ period. ~~(50 percent phase-in period).~~

If the family has reported zero income, the SHA will conduct an interim reexamination every 3 months as long as the family continues to report that they have no income.

If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), the SHA will schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.

If at the time of the annual reexamination, tenant ~~declarations~~ provided documents were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, the SHA will conduct an interim reexamination.

The SHA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

Family-Initiated Interim Reexaminations

The PHA must adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 960.257(c)]. In addition, HUD regulations require that the family be permitted to obtain an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 960.257(b)].

Required Reporting

HUD regulations give the PHA the ~~discretion~~freedom to determine the circumstances under which families will be required to report changes affecting income.

SHA Policy

Families are required to report all increases in earned income, including new employment regardless of the source, in writing to the SHA within 10 business days of the date the change takes effect.

The SHA ~~will~~will only conduct interim reexaminations for families that qualify for the earned income disallowance (EID), and only when the EID family's rent will change as a result of the increase and when a family report an income source after previously reporting no income. In all other cases, the SHA will note the information in the tenant file, but will not conduct an interim reexamination.

The SHA will complete a recertification based upon an increase in income if the increase is in excess of \$200 per month above the amount of income on which the rent is currently based. The SHA shall process interim increases in income if the total cumulative increase for the year has been in excess of \$2400, even if the amount of increase currently reported is less than \$200 per month. In the event the increase does not require an interim recertification, the SHA will note the information on the Request for Interim Adjustment along with the amount of the increase noted and place the information in the resident's file.

Families are not required to report any other changes in income or expenses.

Optional Reporting

The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 960.257(b)]. The ~~PHA~~SHA must process the request if the family reports a change that will result in a reduced family income [PH Occ GB, p. 159].

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.615]. For more information regarding the requirement to impute welfare income see Chapter 6.

SHA Policy

If a family reports a change that it was not required to report and that would result in an increase in the tenant rent, the SHA will note the information in the tenant file, but will not conduct an interim reexamination.

If a family reports a change that it was not required to report and that would result in a decrease in the tenant rent, the SHA will conduct an interim reexamination. See Section 9-III.D. for effective dates.

Families may report changes in income or expenses at any time.

9-III.D. PROCESSING THE INTERIM REEXAMINATION

Method of Reporting

SHA Policy

The family must notify the SHA of changes in writing. If an increase in income is reported the SHA will not process the interim unless the increase in income results in a cumulative increase of \$200 per month over the course of the year.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if the SHA determines that an interview is warranted, the family may be required to attend.

Based on the type of change reported, the SHA will determine the documentation the family will be required to submit. The family must submit any required information or documents within 10 business days of receiving a request from the SHA. This time frame may be extended for good cause with SHA approval. The SHA will accept required documentation by mail, by fax, or in person.

Effective Dates

The PHA must make the interim reexamination within a reasonable time after the family request [24 CFR 960.257(b)].

SHA Policy

If the ~~tenant~~family share of the rent is to *increase*:

The increase generally will be effective on the first of the month following 30 days' notice to the family.

If a family fails to report a change within the required time frames, or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any underpaid rent and may be offered a repayment agreement in accordance with the policies in Chapter 16.

If the ~~tenant~~family share of the rent is to *decrease*:

The decrease will be effective on the first day of the month following the month in which the change was reported. In cases where the change cannot be verified until after the date the change would have become effective, the change will be made retroactively.

PART IV: RECALCULATING TENANT RENT

9-IV.A. OVERVIEW

For those families paying income-based rent, the PHA must recalculate the rent amount based on the income information received during the reexamination process and notify the family of the changes [24 CFR 966.4, 960.257]. While the basic policies that govern these calculations are provided in Chapter 6, this part lays out policies that affect these calculations during a reexamination.

9-IV.B. CHANGES IN UTILITY ALLOWANCES [24 CFR 965.507, 24 CFR 966.4]

The tenant rent calculations must reflect any changes in the PHA's utility allowance schedule [24 CFR 960.253(c)(3)]. Chapter 16 discusses how utility allowance schedules are established.

SHA Policy

Unless the SHA is required to revise utility allowances retroactively, revised utility allowances will be applied to a family's rent calculations at the first annual reexamination after the allowance is adopted.

9-IV.C. NOTIFICATION OF NEW TENANT RENT

The public housing lease requires the PHA to give the tenant written notice stating any change in the amount of tenant rent, and when the change is effective [24 CFR 966.4(b)(1)(ii)].

When the PHA redetermines the amount of rent (Total Tenant Payment or Tenant Rent) payable by the tenant, not including determination of the PHA's schedule of Utility Allowances for families in the PHA's Public Housing Program, or determines that the tenant must transfer to another unit based on family composition, the PHA must notify the tenant that the tenant may ask for an explanation stating the specific grounds of the PHA determination, and that if the tenant does not agree with the determination, the tenant shall have the right to request a hearing under the PHA's grievance procedure [24 CFR 966.4(c)(4)].

SHA Policy

The notice to the family will include the annual and adjusted income amounts that were used to calculate the tenant rent.

9-IV.D. DISCREPANCIES

During an annual or interim reexamination, the PHA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, the PHA may discover errors made by the PHA. When errors resulting in the overpayment or underpayment of rent are discovered, corrections will be made in accordance with the policies in Chapter 15.

Chapter 10

PETS

[24 CFR 5, Subpart C; 24 CFR 960, Subpart G]

INTRODUCTION

This chapter explains the PHA's policies on the keeping of pets and describes any criteria or standards pertaining to the policies. The rules adopted are reasonably related to the legitimate interest of the PHA to provide a decent, safe and sanitary living environment for all tenants, and to protect and preserve the physical condition of the property, as well as the financial interest of the PHA. **THIS PET POLICY DOES NOT APPLY TO SERVICE ANIMALS.**

The chapter is organized as follows:

Part I: Service Animals and Assistance Animals. This part explains the difference between service animals, assistance animals, and pets, and contains policies related to the designation of a service animal or assistance animal as well as their care and handling.

Part I,

Part II: Pet policies for all developments. This part includes pet policies that are common to both elderly/disabled developments and general occupancy developments.

Part III: Pet deposits and fees for elderly/disabled developments. This part contains policies for pet deposits and fees that are applicable to elderly/disabled developments.

Part IVH: Pet deposits and fees for general occupancy developments. This part contains policies for pet deposits and fees that are applicable to general occupancy developments.

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**PART I: SERVICE ANIMALS AND ASSISTANCE ANIMALS~~PET POLICIES~~
FOR ALL DEVELOPMENTS**

[Section 504; Fair Housing Act (42 U.S.C.); 24 CFR 5.303; 24 CFR 960.705;
Notice FHEO 2013-01]

10-I.A. OVERVIEW

This part discusses situations under which permission for a service animal or an assistance animal may be denied, and also establishes standards for the care of service and assistance animals.

Notice FHEO 2013-01 was published April 25, 2013. The notice explains the difference between service animals and assistance animals. While the ADA applies to the premises of public housing agencies and to “public accommodations” such as stores and movie theaters, it does not apply to private-market rental housing. Therefore, in public housing the PHA must evaluate a request for a service animal under both the ADA and the Fair Housing Act. Service animals are limited to trained dogs.

Neither service animals nor assistance animals are pets, and thus, are not subject to the PHA’s pet policies described in Parts II through IV of this chapter [24 CFR 5.303; 960.705; Notice FHEO 2013-01].

10-I.B. APPROVAL OF SERVICE ANIMALS AND ASSISTANCE ANIMALS

Notice FHEO 2013-01 states that the PHA should first evaluate the request as a service animal under the ADA. The PHA may only ask whether the dog is a service animal required due to a disability, and what tasks the animal has been trained to perform.

The PHA cannot require proof of training or certification for a service animal, even if the disability and/or tasks performed are not readily apparent. If the disability and/or tasks performed are not readily apparent, no further inquiries may be made.

PHAs may only deny a request for a service animal in limited circumstances:

- The animal is out of control and the handler does not take effective action to control it
- The animal is not housebroken, or
- The animal poses a direct threat to health or safety that cannot be eliminated or reduced by a reasonable modification of other policies

A service animal must be permitted in all areas of the facility where members of the public are allowed.

If the animal does not qualify as a service animal under the ADA, the PHA must next determine whether the animal would qualify as an assistance animal under the reasonable accommodation provisions of the Fair Housing Act. Such assistance animals may include animals other than dogs.

A person with a disability is not automatically entitled to have an assistance animal. Reasonable accommodation requires that there is a relationship between the person's disability and his or her need for the animal [PH Occ GB, p. 179].

A PHA may not refuse to allow a person with a disability to have an assistance animal merely because the animal does not have formal training. Some, but not all, animals that assist persons with disabilities are professionally trained. Other assistance animals are trained by the owners themselves and, in some cases, no special training is required. The question is whether or not the animal performs the assistance or provides the benefit needed by the person with the disability [PH Occ GB, p. 178].

A PHA's refusal to permit persons with a disability to use and live with an assistance animal that is needed to assist them, would violate Section 504 of the Rehabilitation Act and the Fair Housing Act unless [PH Occ GB, p. 179]:

- There is reliable objective evidence that the animal poses a direct threat to the health or safety of others that cannot be reduced or eliminated by a reasonable accommodation
- There is reliable objective evidence that the animal would cause substantial physical damage to the property of others

PHAs have the authority to regulate service animals and assistance animals under applicable federal, state, and local law [24 CFR 5.303(b)(3); 960.705(b)(3)].

PHA Policy

For an animal to be excluded from the pet policy and be considered a service animal, it must be a trained dog, and there must be a person with disabilities in the household who requires the dog's services.

For an animal to be excluded from the pet policy and be considered an assistance animal, there must be a person with disabilities in the household, and the family must request and the PHA approve a reasonable accommodation in accordance with the policies contained in Chapter 2.

10-I.C. CARE AND HANDLING

HUD regulations do not affect any authority a PHA may have to regulate service animals and assistance animals under federal, state, and local law [24 CFR 5.303; 24 CFR 960.705].

PHA Policy

Residents must care for service animals and assistance animals in a manner that complies with state and local laws, including anti-cruelty laws.

Residents must ensure that service animals and assistance animals do not pose a direct threat to the health or safety of others, or cause substantial physical damage to the development, dwelling unit, or property of other residents.

When a resident's care or handling of a service animal or assistance animal violates these policies, the PHA will consider whether the violation could be reduced or eliminated by a reasonable accommodation. If the PHA determines that no such accommodation can be made, the PHA may withdraw the approval of a particular service or assistance animal.

PART II: PET POLICIES FOR ALL DEVELOPMENTS

[24 CFR 5, Subpart C; 24 CFR 960, Subpart G]

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10-~~HI~~.A. OVERVIEW

The purpose of a pet policy is to establish clear guidelines for ownership of pets and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets. This part contains pet policies that apply to all developments.

10-~~HI~~.B. MANAGEMENT APPROVAL OF PETS

Registration of Pets

PHAs may require registration of the pet with the PHA [24 CFR 960.707(b)(5)].

SHA Policy

Residents are responsible for the following activities:

Pets must be registered with the SHA before they are brought onto the premises.

Registration includes documentation signed by a licensed veterinarian or state/local authority that the pet has received all inoculations required by state or local law, and that the pet has no communicable disease(s) and is pest-free. This registration must be renewed annually and will be coordinated with the annual reexamination date.

Pets will not be approved to reside in a unit until completion of the registration requirements.

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Refusal to Register Pets

SHA Policy

The SHA will refuse to register a pet if:

The pet is not *a common household pet* as defined in Section 10-H.C. below

Keeping the pet would violate any pet restrictions listed in this policy

The pet owner fails to provide complete pet registration information, or fails to update the registration annually

The applicant has previously been charged with animal cruelty under state or local law; or has been evicted, had to relinquish a pet or been prohibited from future pet ownership due to pet rule violations or a court order

The SHA reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations. The pet's temperament and behavior may be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.

If the SHA refuses to register a pet, a written notification will be sent to the pet owner within 10 business days of the SHA's decision. The notice will state the reason for refusing to register the pet and will inform the family of their right to appeal the decision in accordance with the SHA's grievance procedures.

Pet Agreement

SHA Policy

Residents who have been approved to have a pet must enter into a pet agreement with the SHA, or the approval of the pet will be withdrawn.

The pet agreement is the resident's certification that he or she has received a copy of the SHA's pet policy and applicable house rules, that he or she has read the policies and/or rules, understands them, and agrees to comply with them.

The resident further certifies by signing the pet agreement that he or she understands that noncompliance with the SHA's pet policy and applicable house rules may result in the withdrawal of SHA approval of the pet or termination of tenancy.

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10-~~H~~I.C. STANDARDS FOR PETS [24 CFR 5.318; 960.707(b)]

PHAs may establish reasonable requirements related to pet ownership including, but not limited to:

- Limitations on the number of animals in a unit, based on unit size
- Prohibitions on types of animals that the SHA classifies as dangerous, provided that such classifications are consistent with applicable state and local law
- Prohibitions on individual animals, based on certain factors, including the size and weight of the animal
- Requiring pet owners to have their pets spayed or neutered

SHA's may not require pet owners to have any pet's vocal cords removed.

Definition of "Common Household Pet"

There is no regulatory definition of common household pet for public housing programs, although the regulations for pet ownership in both elderly/disabled and general occupancy developments use the term. The regulations for pet ownership in elderly/disabled developments expressly authorize PHAs to define the term [24 CFR 5.306(2)].

SHA Policy

Common household pet means a domesticated animal, such as a dog, cat, bird, or fish that is traditionally recognized as a companion animal and is kept in the home for pleasure rather than commercial purposes.

The following animals are not considered common household pets:

Reptiles

Rodents

Insects

Arachnids

Wild animals or feral animals

Pot-bellied pigs

Animals used for commercial breeding

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Pet Restrictions

SHA Policy

The following animals are not permitted:

Any animal whose adult weight will exceed 30 pounds

Dogs of aggressive breeds

Ferrets or other animals whose natural protective mechanisms pose a risk to small children of serious bites or lacerations

Any animal not permitted under state or local law or code

Number of Pets

SHA Policy

Residents may own a maximum of one (1) pet per unit with unit size 0 BR – 3 BR and two (2) pets per unit with size 4 BR – 5 BR only 1 of which may be a dog.

In the case of fish, residents may keep no more than can be maintained in a safe and healthy manner in a tank holding up to 10 gallons. Such a tank or aquarium will be counted as 1 pet.

Other Requirements

SHA Policy

Dogs and cats must be spayed or neutered at the time of registration or, in the case of underage animals, within 30 days of the pet reaching 6 months of age. Exceptions may be made upon veterinary certification that subjecting this particular pet to the procedure would be temporarily or permanently medically unsafe or unnecessary.

Pets must be licensed in accordance with state or local law. Residents must provide proof of licensing at the time of registration and annually, in conjunction with the resident's annual reexamination.

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10-~~HI~~.D. PET RULES

Pet owners must maintain pets responsibly, in accordance with PHA policies, and in compliance with applicable state and local public health, animal control, and animal cruelty laws and regulations [24 CFR 5.315; 24 CFR 960.707(a)].

Pet Area Restrictions

SHA Policy

Pets must be kept maintained within the dwelling residents unit. , when taken When outside of the unit (within the building or on the grounds), dogs and cats must be kept on a leash or carried. They must be and under the control of the tenant- resident or other responsible individual at all times.

Pets other than dogs or cats must be kept in a cage or carrier when outside of the unit.

Pets are not permitted in common areas including lobbies, community rooms and laundry areas except for those common areas which are entrances to and exits from the building.

Pet owners are not permitted to exercise pets or permit pets to deposit waste on project premises outside of the areas designated for such purposes.

Designated Pet/No-Pet Areas [24 CFR 5.318(g), PH Occ GB, p. 182]

PHAs may designate buildings, floors of buildings, or sections of buildings as no-pet areas where pets generally may not be permitted. Pet rules may also designate buildings, floors of building, or sections of building for residency by pet-owning tenants.

PHAs may direct initial tenant moves as may be necessary to establish pet and no-pet areas. The PHA may not refuse to admit, or delay admission of, an applicant on the grounds that the applicant's admission would violate a pet or no-pet area. The PHA may adjust the pet and no-pet areas or may direct such additional moves as may be necessary to accommodate such applicants for tenancy or to meet the changing needs of the existing tenants.

PHAs may not designate an entire development as a no-pet area, since regulations permit residents to own pets.

SHA Policy

With the exception of common areas as described in the previous policy, the SHA has not designated any buildings, floors of buildings, or sections of buildings as no-pet areas. In addition, the SHA has not designated any buildings, floors of buildings, or sections of buildings for residency of pet-owning tenants.

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Cleanliness

SHA Policy

The pet owner shall be responsible for the removal of waste from the exercise area by placing it in a sealed plastic bag and disposing of it in a container provided by the SHA.

The pet owner shall take adequate precautions to eliminate any pet odors within or around the unit and to maintain the unit in a sanitary condition at all times.

Litter box requirements:

Pet owners must promptly dispose of waste from litter boxes and must maintain litter boxes in a sanitary manner.

Litter shall not be disposed of by being flushed through a toilet.

Litter boxes shall be kept inside the resident's dwelling unit.

Alterations to Unit

SHA Policy

Pet owners shall not alter their unit, patio, premises or common areas to create an enclosure for any animal.

Installation of pet doors is prohibited.

Noise

SHA Policy

Pet owners must agree to control the noise of pets so that such noise does not constitute a nuisance to other residents or interrupt their peaceful enjoyment of their housing unit or premises. This includes, but is not limited to loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities.

Pet Care

SHA Policy

Each pet owner shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet.

Each pet owner shall be responsible for appropriately training and caring for his/her pet to ensure that the pet is not a nuisance or danger to other residents and does not damage SHA property.

No animals may be tethered or chained inside or outside the dwelling unit at any time.

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Responsible Parties

SHA Policy

The pet owner will be required to designate two responsible parties for the care of the pet if the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet.

A resident who cares for another resident's pet must notify the SHA and sign a statement that they agree to abide by all of the pet rules.

Pets Temporarily on the Premises

SHA Policy

Pets that are not owned by a tenant are not allowed on the premises. Residents are prohibited from feeding or harboring stray animals.

This rule does not apply to visiting pet programs sponsored by a humane society or other non-profit organizations, and approved by the SHA.

Pet Rule Violations

SHA Policy

All complaints of cruelty and all dog bites will be referred to animal control or an applicable agency for investigation and enforcement.

If a determination is made on objective facts supported by written statements, that a resident/pet owner has violated the pet rules, written notice will be served.

The notice will contain a brief statement of the factual basis for the determination and the pet rule(s) that were violated. The notice will also state:

That the pet owner has 10 business days from the effective date of the service of notice to correct the violation or make written request for a meeting to discuss the violation

That the pet owner is entitled to be accompanied by another person of his or her choice at the meeting

That the pet owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in initiation of procedures to remove the pet, or to terminate the pet owner's tenancy

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Notice for Pet Removal

SHA Policy

If the pet owner and the SHA are unable to resolve the violation at the meeting or the pet owner fails to correct the violation in the time period allotted by the SHA, the SHA may serve notice to remove the pet.

The notice will contain:

A brief statement of the factual basis for the SHA's determination of the pet rule that has been violated

The requirement that the resident /pet owner must remove the pet within 230 calendar days of the notice

A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures

Pet Removal

SHA Policy

If the death or incapacity of the pet owner threatens the health or safety of the pet, or other factors occur that render the owner unable to care for the pet, the situation will be reported to the responsible party designated by the pet owner.

If the responsible party is unwilling or unable to care for the pet, or if the SHA after reasonable efforts cannot contact the responsible party, the SHA may contact the appropriate state or local agency and request the removal of the pet.

Termination of Tenancy

SHA Policy

The SHA may initiate procedures for termination of tenancy based on a pet rule violation if:

The pet owner has failed to remove the pet or correct a pet rule violation within the time period specified

The pet rule violation is sufficient to begin procedures to terminate tenancy under terms of the lease

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Emergencies

SHA Policy

The SHA will take all necessary steps to ensure that pets that become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are immediately removed from the premises by referring the situation to the appropriate state or local entity authorized to remove such animals.

If it is necessary for the SHA to place the pet in a shelter facility, the cost will be the responsibility of the pet owner.

If the pet is removed as a result of any aggressive act on the part of the pet, the pet will not be allowed back on the premises.

PART III: PET DEPOSITS AND FEES IN ELDERLY/DISABLED DEVELOPMENTS

10-III.A. OVERVIEW

This part describes the PHA's policies for pet deposits and fees in elderly, disabled and mixed population developments. Policies governing deposits and fees in general occupancy developments are described in Part IV.

10-III.B. PET DEPOSITS

Payment of Deposit

The PHA may require tenants who own or keep pets in their units to pay a refundable pet deposit. This deposit is in addition to any other financial obligation generally imposed on tenants of the project [24 CFR 5.318(d)(1)].

The maximum amount of pet deposit that may be charged by a PHA on a per dwelling unit basis, is the higher of the total tenant payment (TTP) or such reasonable fixed amount as the PHA may require. The PHA may permit gradual accumulation of the pet deposit by the pet owner [24 CFR 5.318(d)(3)].

The pet deposit is not part of the rent payable by the resident [24 CFR 5.318(d)(5)].

SHA Policy

Pet owners are required to pay a pet deposit in addition to any other required deposits. The amount of the deposit is the higher of the family's total tenant payment or \$50.00, and must be paid in full before the pet is brought on the premises.

Refund of Deposit [24 CFR 5.318(d)(1)]

The PHA may use the pet deposit only to pay reasonable expenses directly attributable to the presence of the pet, including (but not limited to) the costs of repairs and replacements to, and fumigation of, the tenant's dwelling unit. The PHA must refund the unused portion of the pet deposit to the tenant within a reasonable time after the tenant moves from the project or no longer owns or keeps a pet in the unit.

SHA Policy

The SHA will refund the pet deposit to the resident, less the costs of any damages caused by the pet to the dwelling unit, within 30 days of move-out or removal of the pet from the unit.

The resident will be billed for any amount that exceeds the pet deposit.

The SHA will provide the resident with a written list of any charges against the pet deposit within 10 business days of the move-out inspection. If the resident disagrees with the amount charged to the pet deposit, the SHA will provide a meeting to discuss the charges.

10-III.C. OTHER CHARGES

Pet-Related Damages During Occupancy

SHA Policy

All reasonable expenses incurred by the SHA as a result of damages directly attributable to the presence of the pet in the project will be the responsibility of the resident, including:

The cost of repairs and replacements to the resident's dwelling unit

Fumigation of the dwelling unit

Repairs to common areas of the project

The expense of flea elimination shall also be the responsibility of the resident.

If the resident is in occupancy when such costs occur, the resident shall be billed for such costs in accordance with the policies in Section 8-I.G, Maintenance and Damage Charges. Pet deposits will not be applied to the costs of pet-related damages during occupancy.

Charges for pet-related damage are not part of rent payable by the resident.

Pet Waste Removal Charge

The regulations do not address the PHA's ability to impose charges for house pet rule violations. However, charges for violation of PHA pet rules may be treated like charges for other violations of the lease and PHA tenancy rules.

SHA Policy

A separate pet waste removal charge of \$10.00 per occurrence will be assessed against pet owners who fail to remove pet waste in accordance with this policy.

Notices of pet waste removal charges will be in accordance with requirements regarding notices of adverse action. Charges are due and payable 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, the SHA may not take action for nonpayment of the charge until the conclusion of the grievance process.

Charges for pet waste removal are not part of rent payable by the resident.

PART IV: PET DEPOSITS AND FEES IN GENERAL OCCUPANCY DEVELOPMENTS

10-IV.A. OVERVIEW

This part describes the PHA's policies for pet deposits and fees for those who reside in general occupancy developments.

10-IV.B. PET DEPOSITS

A PHA may require a refundable pet deposit to cover additional costs attributable to the pet and not otherwise covered [24 CFR 960.707(b)(1)].

A PHA that requires a resident to pay a pet deposit must place the deposit in an account of the type required under applicable State or local law for pet deposits, or if there are no such requirements, for rental security deposits, if applicable. The PHA must comply with such laws as to retention of the deposit, interest, and return of the deposit to the resident, and any other applicable requirements [24 CFR 960.707(d)].

Payment of Deposit

SHA Policy

Pet owners are required to pay a pet deposit of \$150.00 in addition to any other required deposits. The deposit must be paid in full before the pet is brought on the premises.

The pet deposit is not part of rent payable by the resident.

Refund of Deposit

SHA Policy

The SHA will refund the pet deposit to the resident, less the costs of any damages caused by the pet to the dwelling unit, within 30 days of move-out or removal of the pet from the unit.

The resident will be billed for any amount that exceeds the pet deposit.

The SHA will provide the resident with a written list of any charges against the pet deposit within 10 business days of the move-out inspection. If the resident disagrees with the amount charged to the pet deposit, the SHA will provide a meeting to discuss the charges.

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10-IVII.C. NON-REFUNDABLE NOMINAL PET FEE

PHAs may require payment of a non-refundable nominal pet fee to cover the reasonable operating costs to the development relating to the presence of pets [24 CFR 960.707(b)(1)].

SHA Policy

The SHA ~~will charge~~ requires pet owners to pay a non-refundable nominal pet fee in the amount of \$10.00 monthly to offset additional maintenance costs.

This fee is intended to cover the reasonable operating costs to the project relating to the presence of pets. Reasonable operating costs to the project relating to the presence of pets include, but are not limited to:

Landscaping costs

Pest control costs

Insurance costs

Clean-up costs

The pet fee of \$10.00 will be billed on a monthly basis, and payment will be due 14 calendar days after billing.

Charges for the non-refundable pet fee are not part of rent payable by the resident.

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10-IVII.D. OTHER CHARGES

Pet-Related Damages During Occupancy

SHA Policy

All reasonable expenses incurred by the SHA as a result of damages directly attributable to the presence of the pet in the project will be the responsibility of the resident, including:

The cost of repairs and replacements to the resident's dwelling unit

Fumigation of the dwelling unit

Repairs to common areas of the project

The expense of flea elimination shall also be the responsibility of the resident.

If the resident is in occupancy when such costs occur, the resident shall be billed for such costs in accordance with the policies in Section 8-I.G, Maintenance and Damage Charges. Pet deposits will not be applied to the costs of pet-related damages during occupancy.

Charges for pet-related damage are not part of rent payable by the resident.

Pet Waste Removal Charge

The regulations do not address the PHA's ability to impose charges for house pet rule violations. However, charges for violation of PHA pet rules may be treated like charges for other violations of the lease and PHA tenancy rules.

SHA Policy

A separate pet waste removal charge of \$20.00 per occurrence will be assessed against pet owners who fail to remove pet waste in accordance with this policy.

Such charges will be due and payable 14 calendar days after billing.

Charges for pet waste removal are not part of rent payable by the resident.

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Chapter 11

COMMUNITY SERVICE

INTRODUCTION

This chapter explains HUD regulations requiring PHAs to implement a community service program for all ~~nonexempt~~~~non-exempt~~ adults living in public housing.

This chapter describes HUD regulations and PHA policies related to these topics in two parts:

Part I: Community Service Requirements. This part describes who is subject to the community service requirement, who is exempt, and HUD's definition of economic self-sufficiency.

Part II: PHA Implementation of Community Service. This part provides PHA policy regarding PHA implementation and program design.

PART I: COMMUNITY SERVICE REQUIREMENT

11-I.A. OVERVIEW

HUD regulations pertaining to the community service requirement are contained in 24 CFR 960 Subpart F (960.600 through 960.609). PHAs and residents must comply with the community service requirement, effective with PHA fiscal years that commenced on or after October 1, 2000. Per 903.7(l)(1)(iii), the PHA Plan must contain a statement of ~~the~~ how the PHA will comply with the community service requirement, including any cooperative agreement that the PHA has entered into or plans to enter into.

Community service is the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities [24 CFR 960.601(b)].

In administering community service requirements, the PHA must comply with all nondiscrimination and equal opportunity requirements [24 CFR 960.605(c)(5)].

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11-I.B. REQUIREMENTS

Each adult resident of the PHA, who is not exempt, must [24 CFR 960.603(a)]:

- Contribute 8 hours per month of community service; or
- Participate in an economic self-sufficiency program (as defined in the regulations) for 8 hours per month; or
- Perform 8 hours per month of combined activities (community service and economic self-sufficiency programs).
- The required community service or self-sufficiency activity may be completed 8 hours each month or may be aggregated across a year. Any blocking of hours is acceptable as long as 96 hours is completed by each annual certification of compliance [Notice PIH 2015-12].

SHA Policy

~~An individual may not skip a month and then double up the following month, unless special circumstances warrant it. The SHA will make the determination of whether to permit a deviation from the schedule.~~

~~Individuals who have special circumstances which they believe will prevent them from completing the required community service or self-sufficiency activity may be completed 8 hours each month or for a given month, must notify the SHA in writing within 5 business days of the circumstances becoming known. The SHA will review the request and notify the individual, in writing, of its determination within 10 business days. The SHA may require those individuals to provide documentation to support their claim~~

Definitions

Exempt Individual [24 CFR 960.601(b), [Notice PIH 2015-12](#))]

An *exempt individual* is an adult who:

- Is age 62 years or older
- Is blind or disabled (as defined under section 216[i][I] or 1614 of the Social Security Act), and who certifies that because of this disability s/he is unable to comply with the service provisions
- Is a primary caretaker of such an individual
- Is engaged in work activities

SHA Policy

The SHA will consider ~~25~~30 hours per week as the minimum number of hours needed to qualify for a work activity exemption. ~~The SHA will consider a combination of work activity and attendance in educational programs to qualify as an exemption.~~

- Is able to M~~meets~~ the requirements ~~for or~~ being exempted ~~from having to engage in a work activity under the state program funded~~ under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program; or

– This exemption applies to anyone whose characteristics or family situation meet the welfare agency exemption criteria and can be verified.

- ~~▪ Is in a family receiving assistance under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the SHA is located, including a state-administered welfare-to-work program, and has not been found by the state or other administering entity to be in noncompliance with such program.~~
- Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has not been found by the state or other administering entity to be in noncompliance with such program.

Community Service [24 CFR 960.601(b), Notice PIH 2015-12PH-Oee GB, p. 174]

~~Community service is volunteer work which includes, but is not limited to:~~Community service is the performance of voluntary work or duties that are a public benefit and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities.

~~Eligible community service activities include, but are not limited to, work at:~~ Community service is volunteer work which includes, but is not limited to:

- ~~Work at a local public or nonprofit institutions such as institution including but not limited to: schools, head start programs, before or after school programs, child care centers, hospitals, clinics, hospices, nursing homes, recreation centercenter, senior centercenter, adult day care programcenter, homeless shelters,shelter, indigent feeding programs,program, cooperative food banks (distributing either donated or commodity foods), or clothes closets (distributing donated clothing)bank, etc.~~
- Nonprofit organizations serving SHA ~~Work with a nonprofit organization that serves SHA~~ residents or their children such as: Boy ~~or Scouts~~, Girl Scouts, Boys or Girls ~~ClubClubs~~, 4-H clubs, Police Assistance League (~~programs~~, PAL), organized children's recreation, mentoring or education programs, Big Brothers or Big Sisters, garden centers, ~~Garden Center~~, community clean-up programs, beautification programs
- Programs funded under the Older Americans Act, such as Green Thumb, Service Corps of Retired Executives, other youth or senior meals programs, senior centers, Meals on Wheelsorganizations
- Public or nonprofit organizations dedicated to seniors, youth, children, residents, citizens, special-needs populations or with missions to enhance the environment, historic resources, cultural identities, neighborhoods, or performing arts
- ~~SHA housing to improve grounds or provide gardens (so long as such work does not alter the PSHA's insurance coverage); or work SHA to help with children's programs~~
- ~~Work at the SHA to help with senior programs~~
- ~~Helping neighborhood groups with special projects~~
- ~~Working through a resident organizationorganization to help other residents with problems, including serving as an officer in a resident organization, serving on the Resident Advisory Boardresident advisory board~~
- CareCaring for the children of other residents so parentthey may volunteer
- PHAs may form their own policy in regards to accepting community services at profit-motivated entities, acceptance of volunteer work performed at homes or offices of general private citizens, and court-ordered or probation-based work.

SHA Policy

Community services at profit-motivated entities, volunteer work performed at homes or offices of general private citizens, and court-ordered or probation-based work will not be considered eligible community service activities.

~~NOTE: Political activity is excluded for purposes of eligible community service activities.~~

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Economic Self-Sufficiency Program [24 CFR 5.603(b), Notice PIH 2015-12]

For purposes of satisfying the community service requirement, an *economic self-sufficiency program* is defined by HUD as any program designed to encourage, assist, train, or facilitate economic independence of assisted families or to provide work for such families.

Eligible ~~These economic~~ self-sufficiency ~~activities~~ ~~programs can~~ include, but are not limited to:

- Job readiness or job training
- Training programs through local one-stop career centers, workforce investment boards (local entities administered through the U.S. Department of Labor), or other training providers
- Employment, ~~employment~~ counseling, work placement, or basic skills training
- Education, including higher, education (junior college or college), ~~English proficiency,~~ ~~workfare~~ GED classes, or reading, financial, or computer literacy classes
- Apprenticeships or household management, apprenticeships (formal or informal)
- English proficiency or English as a second language classes
- Budgeting and credit counseling
- Any), or any other program necessary to ready a participant to work (such as substance abuse or mental health counseling) ~~treatment).~~

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Work Activities [42 U.S.C. 607(d)]

As it relates to an exemption from the community service requirement, *work activities* means:

- Unsubsidized employment
 - Subsidized private sector employment
 - Subsidized public sector employment
 - Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available
 - On-the-job training
 - Job search and job readiness assistance
 - Community service programs
 - Vocational educational training (not to exceed 12 months with respect to any individual)
 - Job skills training directly related to employment
 - Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
 - Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate
- ~~Provision of child care services to an individual who is participating in a community service program~~

Notification Requirements [24 CFR 960.605(c)(2), [Notice PIH 2015-12](#), [Notice PIH 2016- 06](#)]

The PHA must give each family a written description of the community service requirement, the process for claiming status as an exempt person, and the process for PHA verification of exempt status. The PHA must also notify the family of its determination identifying the family members who are subject to the service requirement, and the family members who are exempt. [In addition, the family must sign a certification, such as Attachment A of Notice PIH 2015-12, that they have received and read the policy and understand that if they are not exempt, failure to comply with the requirement will result in nonrenewal of their lease. The family must also sign a certification at annual reexamination, such as Attachment B of Notice PIH 2015-12, certifying that they understand the requirement.](#)

SHA Policy

~~[Change in Status Between Annual Determinations: All changes in status must be reported by individuals through written request.](#)~~

The SHA will provide the family with a copy of the Community Service Policy found in Exhibit 11-1 of this chapter, at lease-up, lease renewal, when a family member is determined to be subject to the community service requirement during the lease term, and at any time upon the family's request. [The policy will notify the family that self-certification forms are subject to review by the SHA.](#)

On an annual basis, at the time of lease renewal, the SHA will notify the family in writing of the family members who are subject to the community service requirement and the family members who are exempt. If the family includes ~~nonexempt~~[non-exempt](#) individuals the notice will include a list of agencies in the community that provide volunteer and/or training opportunities, as well as a documentation form on which they may record the activities they perform and the number of hours contributed. The form will also have a place for a signature by an appropriate official, who will certify to the activities and hours completed.

11-I.C. DETERMINATION OF EXEMPTION STATUS AND COMPLIANCE [24 CFR 960.605(c)(3)]

The PHA must review and verify family compliance with service requirements annually at least thirty days before the end of the twelve month lease term. The policy for documentation and verification of compliance with service requirements may be found at Section 11-I.D., Documentation and Verification.

SHA Policy

Where the lease term does not coincide with the effective date of the annual reexamination, the SHA will change the effective date of the annual reexamination to coincide with the lease term. In making this change, the SHA will ensure that the annual reexamination is conducted within 12 months of the last annual reexamination.

Annual Determination

Determination of Exemption Status

An exempt individual is excused from the community service requirement [24 CFR 960.603(a)].

SHA Policy

At least 60 days prior to lease renewal, the SHA will review and verify the exemption status of all adult family members. This verification will only be done on an annual basis unless the family reports a change or the SHA has reason to believe that an individual's exemption status has changed. For individuals who are exempt because they are 62 years of age and older, verification of exemption status will be done only at the initial examination.

Upon completion of the verification process, the SHA will notify the family of its determination in accordance with the policy in Section 11-I.B., Notification Requirements.

Determination of Compliance

The PHA must review resident family compliance with service requirements annually at least ~~thirty~~ 30 days before the end of the twelve month lease term [24 CFR 960.605(c)(3)]. As part of this review, the PHA must verify that any family member that is not exempt from the community service requirement has met his or her service obligation.

SHA Policy

Approximately 60 days prior to the end of the lease term, the SHA will provide written notice requiring the family to submit documentation that all subject family members have complied with the service requirement. The family will have 10 business days to submit the SHA required documentation form(s).

If the family fails to submit the required documentation within the required timeframe, or SHA approved extension, the subject family members will be considered noncompliant with community service requirements, and notices of noncompliance will be issued pursuant to the policies in Section 11-I.E., Noncompliance.

Change in Status ~~between~~**Between** Annual Determinations

SHA Policy

All changes in status must be reported by individuals through written request.

Exempt to ~~Nonexempt~~**Non-Exempt** Status

If an exempt individual becomes ~~nonexempt~~**non-exempt** during the twelve month lease term, it is the family's responsibility to report this change to the SHA within 10 business days.

Within 10 business days of a family reporting such a change, or the SHA determining such a change is necessary, the SHA will provide written notice of the effective date of the requirement, a list of agencies in the community that provide volunteer and/or training opportunities, as well as a documentation form on which the family member may record the activities performed and number of hours contributed.

The effective date of the community service requirement will be the first of the month following 30 day notice.

Determination of Initial Compliance

When an adult family member becomes subject to community service, he or she must perform 8 hours of community service for the months he or she is subject to the requirement before the end of the lease term (anniversary date).

Example 1: Alberto Jones turns 18 on 5/10/15 and is not exempt from the community service requirement. His community service requirement begins on 6/1/15, and his initial compliance is reviewed before the end of the lease term (anniversary date), which is 11/30/15.

- Alberto must perform 6 months of community service in his initial compliance period, before the end of the lease term (anniversary date).

Example 2: Lisa Dewhurst leaves her job on 9/20/14 and is not exempt from the community service requirement. Her community service requirement begins on 10/1/14, and her initial compliance is reviewed before the end of the lease term (anniversary date), which is 6/30/15.

- Ms. Dewhurst must perform 9 months of community service in her initial compliance period, before the end of the lease term (anniversary date).

Nonexempt~~Non-Exempt~~ to Exempt Status

If a nonexempt~~non-exempt~~ person becomes exempt during the twelve month lease term, it is the family's responsibility to report this change to the SHA within 10 business days. Any claim of exemption will be verified by the SHA in accordance with the policy at 11-I.D., Documentation and Verification of Exemption Status.

Within 10 business days of a family reporting such a change, or the SHA determining such a change is necessary, the SHA will provide the family written notice that the family member is no longer subject to the community service requirement, if the SHA is able to verify the exemption.

The exemption will be effective immediately.

11-I.D. DOCUMENTATION AND VERIFICATION [24 CFR 960.605(c)(4), 960.607, Notice PIH 2016-08]

The PHA must retain reasonable documentation of service requirement performance or exemption in participant files.

Documentation and Verification of Exemption Status

SHA Policy

All family members who claim they are exempt from the community service requirement will be required to sign the community service exemption certification form found in Exhibit 11-3. The SHA will provide a completed copy to the family and will keep a copy in the tenant file.

The SHA will verify that an individual is exempt from the community service requirement by following the verification hierarchy and documentation requirements in Chapter 7.

The SHA makes the final determination whether or not to grant an exemption from the community service requirement. If a resident does not agree with the SHA's determination, s/he can dispute the decision through the SHA's grievance procedures (see Chapter 14).

Documentation and Verification of Compliance

At each regularly scheduled reexamination, each nonexempt family member presents a signed standardized certification form developed by the PHA of community service and self-sufficiency activities performed over the last 12 months [Notice PIH 2015-12].

If qualifying community service activities are administered by an organization other than the PHA, a family member who is required to fulfill a service requirement must provide documentation required by the PHA. The PHA may require a self-certification or certification from a third party certification to the SHA, signed by the organization, that the family member has performed the qualifying activities [24 CFR 960.607].

SHA Policy

If the PHA accepts self-certification of compliance anyone in the family is subject to the community service requirement, the SHA will provide the family with the community service requirement, it must provide a form which includes a statement that the client performed the required hours, contact information for documentation forms at admission, at lease renewal, when a family member becomes subject to the community service provider, a description of activities performed, and dates of service requirement during the lease term, or upon request by the family.

If the PHA accepts self-certification, it must validate a sample of certifications through third-party documentation. The PHA must notify families that self-certification forms are available and that a sample of self-certifications will be validated.

HUD strongly encourages PHAs to investigate community service compliance when there are questions of accuracy.

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SHA Policy

Each individual who is subject to the [community service](#) requirement will be required to record their community service or self-sufficiency activities and the number of hours contributed on the required form. The certification form will also include places for signatures and phone numbers of supervisors, instructors, and counselors certifying to the number of hours contributed.

Families will be required to submit the documentation to the SHA ~~at each annual recertification or~~ upon request by the SHA, [at least annually](#).

If the SHA has reasonable cause to believe that the certification provided by the family is false or fraudulent, the SHA has the right to require [additional](#) third-party verification.

11-I.E. NONCOMPLIANCE

Noncompliant Residents

Initial Noncompliance

The lease specifies that it is renewed automatically for all purposes, unless the family fails to comply with the community service requirement. Violation of the service requirement is grounds for nonrenewal of the lease at the end of the twelve month lease term, but not for termination of tenancy during the course of the twelve month lease term [24 CFR 960.603(b)].

PHAs may not evict a family due to CSSR noncompliance. However, if PHA finds a tenant is noncompliant with CSSR, the PHA must provide written notification to the tenant of the noncompliance which must include:

- A brief description of the finding of non-compliance with CSSR.
- A statement that the PHA If the tenant or another family member has violated the community service requirement, the SHA may not will renew the lease upon expiration of the twelve-month term of the lease at the end of the current 12-month lease term unless the tenant enters into , unless the tenant and any other noncompliant family member enter into a written work-out agreement with the PHA or the family provides written assurance that is satisfactory to the PHA explaining that the tenant or other noncompliant resident no longer resides in the unit. Such written work-out agreement must include the means through which a noncompliant family member will comply with the CSSR requirement [24 CFR 960.607(c), Notice PIH 2015-12].

Under this agreement the tenant or noncompliant family member must agree to cure the noncompliance by completing the additional hours of community service or economic self-sufficiency needed to make up the total number of hours required, over the twelve month term of the new lease. In addition, all other members of the family who are subject to the service requirement must be currently complying with the service requirement or must no longer be residing in the unit [24 CFR 960.607(c)].

Notice of Initial Noncompliance [24 CFR 960.607(b)]

If the SHA determines that there is a family member who is required to fulfill a service requirement, but who has failed to comply with this obligation (noncompliant resident), the SHA must notify the tenant of this determination.

- The notice to the tenant must briefly describe the noncompliance. The notice must state that the SHA will not renew the lease at the end of the current 12twelve month lease term unless the tenant enters, and any other noncompliant resident, enter into a written work out agreement with the PHASHA to cure the noncompliance, or the family provides written assurance that is satisfactory to the PHA explainingSHA that the tenant or other noncompliant resident no longer resides in the unit. Such written work out agreement must include the means through which a noncompliant family member will comply with the CSSR requirement [24 CFR 960.607(c), Notice PIH 2015-12].

The notice must also state that the tenant may request a grievance hearing on the PHA's determination, in accordance with the PHA's grievance procedures, and that the tenant may exercise any available judicial remedy to seek timely redress for the PHA's nonrenewal of the

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lease because of the PHA's determination.

SHA Policy

The notice of ~~initial~~ noncompliance will be sent at least 45 days prior to the end of the lease term.

The family will have 10 business days from the date of the notice of noncompliance to enter into a written work-out agreement to cure the noncompliance over the 12 month term of the new lease, provide documentation that the noncompliant resident no longer resides in the unit, or to request a grievance hearing.

If the family reports that a noncompliant family member is no longer residing in the unit, the family must provide documentation that the family member has actually vacated the unit before the SHA will agree to continued occupancy of the family. Documentation must consist of a certification signed by the head of household as well as evidence of the current address of the family member that previously resided with them.

If the family does not request a grievance hearing, or does not take either corrective action required by the notice of noncompliance within the required 10 business day timeframe, the SHA will terminate tenancy in accordance with the policies in Section 13-IV.D.

Continued Noncompliance and Enforcement Documentation [24 CFR 960.607(b)]

~~If, after the 12-month cure period, the family member is still not compliant, the SHA must terminate tenancy of the entire family, according to the SHA's lease, unless the family provides documentation that the noncompliant resident no longer resides in the unit. Should a family member refuse to sign a written work-out agreement, or fail to comply with the terms of the work-out agreement, PHAs are required to initiate termination of tenancy proceedings at the end of the current 12-month lease (see 24 CFR 966.53(c)) for failure to comply with lease requirements. When initiating termination of tenancy proceedings, the PHA will provide the following procedural safeguards:~~

- Adequate notice to the tenant of the grounds for terminating the tenancy and for non-renewal of the lease;
- Right of the tenant to be represented by counsel;
- Opportunity for the tenant to refute the evidence presented by the PHA, including the right to confront and cross-examine witnesses and present any affirmative legal or equitable defense which the tenant may have; and,
- A decision on the merits.

SHA Policy

Notices of continued noncompliance will be sent at least 30 days prior to the end of the lease term and will also serve as the family's termination notice. The notice will meet the requirements for termination notices described in Section 13-IV.D, Form, Delivery, and Content of the Notice.

The family will have 10 business days from the date of the notice of non-compliance to provide documentation that the noncompliant resident no longer resides in the unit, or to request a grievance hearing.

If the family reports that a noncompliant family member is no longer residing in the unit, the family must provide documentation that the family member has actually vacated the unit before the SHA will agree to continued occupancy of the family. Documentation must consist of a certification signed by the head of household as well as evidence of the current address of the noncompliant family member that previously resided with them.

If the family does not request a grievance hearing, or provide such documentation within the required 10 business day timeframe, the family's lease and tenancy will automatically terminate at the end of the current lease term without further notice.

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PART II: IMPLEMENTATION OF COMMUNITY SERVICE

11-II.A. OVERVIEW

Each PHA must develop a policy for administration of the community service and economic self-sufficiency requirements for public housing. It is in the PHA's best interests to develop a viable, effective community service program, to provide residents the opportunity to engage in the community and to develop competencies.

PHA Implementation of Community Service

The PHA may not substitute any community service or self-sufficiency activities performed by residents for work ordinarily performed by PHA employees, or replace a job at any location where residents perform activities to satisfy the service requirement [24 CFR 960.609].

SHA Policy

The SHA will notify its insurance company if residents will be performing community service at the SHA. In addition, the SHA will ensure that the conditions under which the work is to be performed are not hazardous.

If a disabled resident certifies that ~~he/shes/he~~ is ~~disabled and~~ not able to perform community service, the SHA will ensure that requests for reasonable accommodation are handled in accordance with the policies in Chapter 2.

PHA Program Design

The PHA may administer qualifying community service or economic self-sufficiency activities directly, or may make community service activities available through a contractor, or through partnerships with qualified organizations, including resident organizations, and community agencies or institutions [24 CFR 960.605(b)].

SHA Policy

The SHA will attempt to provide the broadest choice possible to residents as they choose community service activities.

The SHA's goal is to design a service program that gives residents viable opportunities to become involved in the community and to gain competencies and skills. The SHA will work with resident organizations and community organizations to design, implement, assess and recalibrate its community service program.

The SHA will make every effort to identify volunteer opportunities throughout the community, especially those in proximity to public housing developments. To the greatest extent possible, the SHA will provide names and contacts at agencies that can provide opportunities for residents, including persons with disabilities, to fulfill their community service obligations.

Any written agreements or partnerships with contractors and/or qualified organizations, including resident organizations, are described in the SHA Plan.

The SHA will provide in-house opportunities for volunteer work or self-sufficiency programs when possible.

When the SHA has a ROSS program, a ROSS Service Coordinator, or an FSS program, the SHA will coordinate individual training and service plans (ITSPs) with the community service requirement. Regular meetings with SHA coordinators will satisfy community service activities and SHA coordinators will verify community service hours within individual monthly logs.

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EXHIBIT 11-1: COMMUNITY SERVICE AND SELF-SUFFICIENCY POLICY

A. Background

The Quality Housing and Work Responsibility Act of 1998 requires that all ~~nonexempt~~~~non-exempt~~ (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 – community service activities include~~volunteer work which includes~~, but ~~are~~~~is~~ not limited to, work:

Work at:

- Local public or nonprofit institutions such as schools, head start programs, before or after school programs~~a local institution, including but not limited to: school~~, child care centers, hospitals, clinics, hospices, nursing homes~~center, hospital, hospice~~, recreation center~~center~~, senior center~~center~~, adult day care program~~center~~, homeless shelters~~shelter, indigent~~ feeding programs, food banks (distributing either donated or commodity foods), or clothes closets (distributing donated clothing)program, cooperative food bank, etc.
- Nonprofit organizations serving PHA residents or their children such as: Boy or Girl Scouts, Parks and Recreation, United Way, Red Cross, Volunteers of America, Boy Scouts, Girl Scouts, Boys or Girls Club~~Clubs~~, 4-H clubs, Police Assistance League (Program, PAL), organized children's recreation, mentoring or education programs, Big Brothers or Big Sisters, garden centers, Garden Center, community clean-up programs, beautification programs,~~other counseling, aid, youth or senior organizations~~
- Programs funded under the Older Americans Act, such as Green Thumb, Service Corps of Retired Executives, senior meals programs, senior centers, Meals on Wheels
- Public or nonprofit organizations dedicated to seniors, youth, children, residents, citizens, special-needs populations or with missions to enhance the environment, historic resources, cultural identities, neighborhoods, or performing arts
- ~~PHA housing to improve grounds or provide gardens (so long as such work does not alter the PHA's insurance coverage); or work through resident organizations~~Work at the housing authority to help with litter control
- ~~Work at the housing authority to help with children's programs~~
- ~~Work at the housing authority to help with senior programs~~
- ~~Helping neighborhood groups with special projects~~
- ~~Working through a resident organization~~ to help other residents with problems, including serving
- ~~Serving as an officer in a resident organization~~
- Serving on the Resident Advisory Board

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- ~~Care~~Caring for ~~the~~ children of other residents so ~~parent~~they may volunteer

~~Note~~**NOTE**: Political activity is excluded.

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Self-Sufficiency Activities – self-sufficiency activities ~~that~~ include, but are not limited to:

- ~~Job readiness~~ or job programs
- ~~Job-training~~ programs
- ~~GED classes~~ Training programs through local one-stop career centers, workforce investment boards (local entities administered through the U.S. Department of Labor), or other training providers
- Employment counseling, work placement, or basic skills training
- Education, including higher education (junior college or college), or reading, financial, or computer literacy classes
- ~~Substance~~ Apprenticeships (formal or informal)
- English proficiency or English as a second language classes
- Budgeting and credit counseling
- Any other program necessary to ready a participant to work (such as substance abuse or mental health counseling)
- ~~English proficiency or literacy (reading) classes~~
- ~~Apprenticeships~~
- ~~Budgeting and credit counseling~~
- ~~Any kind of class that helps a person toward economic independence~~
- ~~Student status at any school, college or vocation school~~

Exempt Adult – an adult member of the family who meets any of the following criteria:

- Is 62 years of age or older
- Is blind or a person with disabilities (as defined under section 216[i][1] or 1614 of the Social Security Act), and who certifies that because of this disability he or she is unable to comply with the service provisions, or is the primary caretaker of such an individual ~~individuals~~
- Is engaged in work activities
- ~~Is able to meet~~ Is working at least 20 hours per week
- ~~Meets the~~ requirements for being exempted from having to engage in a work activity under a state program funded under part A of title IV of the Social Security Act, TANF or under any other State welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program; or
- Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under TANF or any other State welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has

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not been found by the state or other administering entity to be in noncompliance with such program

PHAs can use reasonable guidelines in clarifying the work activities in coordination with TANF, as appropriate.

Work Activities – as it relates to an exemption from the community service requirement, *work activities* means:

- Unsubsidized employment
- Subsidized private sector employment
- Subsidized public sector employment
- Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available
- On-the-job training
- Job search and job readiness assistance
- Community service programs
- Vocational educational training (not to exceed 12 months with respect to any individual)
- Job skills training directly related to employment
- Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate
- Provision of child care services to an individual who is participating in a community service program

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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, or may be aggregated across a year. Any blocking of hours is acceptable as long as long as 96 hours is completed by each annual certification of compliance. An individual may not skip a month and then double up the following month, unless special circumstances warrant special consideration. The housing authority will make the determination of whether to allow or disallow a deviation from the schedule based on a family's written request.
3. Family obligation:
 - At lease execution, all adult members (18 or older) of a public housing resident family must:
 - Sign a certification (Attachment A) 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 a nonrenewal of their lease; and
 - Declare if they are exempt. If exempt, they must complete the Exemption Form (Exhibit 11-3) and provide documentation of the exemption.
 - Upon written notice from the SHA, nonexempt~~SHA, non-exempt~~ family members must present complete documentation of activities performed during the applicable lease term. This documentation 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 the end of the 12-month lease term, he or she, and the head of household, will be required to sign an agreement with the housing authority to make up the deficient hours over the next twelve (12) month period, or the lease will be terminated as a condition of continued occupancy.
 - At annual reexamination, the family must also sign a certification certifying that they understand the community service requirement.
4. Change in exempt status:
 - If, during the twelve (12) month lease period, a nonexempt~~non-exempt~~ person becomes exempt, it is his or her responsibility to report this to the SHA and provide documentation of exempt status.
 - If, during the twelve (12) month lease period, an exempt person becomes nonexempt~~non-exempt~~, it is his or her responsibility to report this to the SHA. Upon receipt of this information the SHA will provide the person with the appropriate documentation form(s) and a list of agencies in the community that provide volunteer and/or training opportunities.

D. Authority Obligation

1. To the greatest extent possible and practicable, the SHA will:
 - Provide names and contacts at agencies that can provide opportunities for residents, including residents with disabilities, to fulfill their community service obligations.
 - Provide in-house opportunities for volunteer work or self-sufficiency activities.
2. The SHA will provide the family with a copy of this policy, and all applicable exemption verification forms and community service documentation forms, at lease-up, lease renewal, when a family member becomes subject to the community service requirement during the lease term, and at any time upon the family's request.
3. Although exempt family members will be required to submit documentation to support their exemption, the SHA will verify the exemption status in accordance with its verification policies. The SHA will make the final determination as to whether or not a family member is exempt from the community service requirement. Residents may use the SHA's grievance procedure if they disagree with the SHA's determination.
4. Noncompliance of family member:
 - At least thirty (30) days prior to the end of the 12-month lease term, the SHA will begin reviewing the exempt or ~~nonexempt~~~~non-exempt~~ status and compliance of family members;
 - If, at the end of the initial 12-month lease term under which a family member is subject to the community service requirement, the SHA finds the family member to be noncompliant, the SHA will not renew the lease unless:
 - The head of household and any other noncompliant resident enter into a written agreement with the SHA, to make up the deficient hours over the next twelve (12) month period; or
 - The family provides written documentation satisfactory to the SHA that the noncompliant family member no longer resides in the unit.
 - If, at the end of the next 12-month lease term, the family member is still not compliant, a 30-day notice to terminate the lease will be issued and the entire family will have to vacate, unless the family provides written documentation satisfactory to the SHA that the noncompliant family member no longer resides in the unit;
 - The family may use the SHA's grievance procedure to dispute the lease termination.

All adult family members must sign and date below, certifying that they have read and received a copy of this Community Service and Self-Sufficiency Policy.

Resident

Date

Resident

Date

Resident

Date

Resident

Date

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EXHIBIT 11-2: DEFINITION OF A PERSON WITH A DISABILITY UNDER SOCIAL SECURITY ACTS 216(i)(1) and Section 1416(excerpt) FOR PURPOSES OF EXEMPTION FROM COMMUNITY SERVICE

Social Security Act:

216(i)(1): Except for purposes of sections 202(d), 202(e), 202(f), 223, and 225, the term “disability” means (A) inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months, or (B) blindness; and the term “blindness” means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of this paragraph as having a central visual acuity of 20/200 or less.

Section 1416 (excerpt):

SEC. 1614. [42 U.S.C. 1382c] (a)(1) For purposes of this title, the term “aged, blind, or disabled individual” means an individual who—

(A) is 65 years of age or older, is blind (as determined under paragraph (2)), or is disabled (as determined under paragraph (3)), and

(B)(i) is a resident of the United States, and is either (I) a citizen or (II) an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law (including any alien who is lawfully present in the United States as a result of the application of the provisions of section 212(d)(5) of the Immigration and Nationality Act), or

(ii) is a child who is a citizen of the United States and, who is living with a parent of the child who is a member of the Armed Forces of the United States assigned to permanent duty ashore outside the United States.

(2) An individual shall be considered to be blind for purposes of this title if he has central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of the first sentence of this subsection as having a central visual acuity of 20/200 or less. An individual shall also be considered to be blind for purposes of this title if he is blind as defined under a State plan approved under title X or XVI as in effect for October 1972 and received aid under such plan (on the basis of blindness) for December 1973, so long as he is continuously blind as so defined.

(3)(A) Except as provided in subparagraph (C), an individual shall be considered to be disabled for purposes of this title if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months.

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EXHIBIT 11-3: SHA DETERMINATION OF EXEMPTION FOR COMMUNITY SERVICE

Family: _____

Adult family member: _____

This adult family member meets the requirements for being exempted from the SHA's community service requirement for the following reason:

- ☐ 62 years of age or older (*Documentation of age in file*)
- ☐ Is a person with disabilities and self-certifies below that he or she is unable to comply with the community service requirement (*Documentation of HUD definition of disability in file*)

Tenant certification: I am a person with disabilities and am unable to comply with the community service requirement.

Signature of Family Member

Date

- ☐ Is the primary caretaker of such an individual in the above category (*Documentation in file*)
- ☐ ~~Is engaged in work activities~~ ~~Is working at least 20 hours per week.~~ (*Employment verification in file*)
- ☐ Is ~~able participating in a welfare-to-meet-work program.~~ (*Documentation in file*).
- ☒ ~~Meets the requirements for being exempted from having to engage in a work activity under a state program funded under part A of title IV of the Social Security Act, TANF or under any other State welfare program of the state in which the PHA is located, including a stateState-administered welfare-to-work program (Documentation in file)~~
- ☐ Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, TANF or under any other State welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has not been found by the state or other administering entity to be in noncompliance with such program. (*Documentation in file*)

Signature of Family Member

Date

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Signature of SHA Official

Date

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EXHIBIT 11-4: CSSR WORK-OUT AGREEMENT

Date: _____

Noncompliant Adult: _____

Adult family member: _____

Community Service & Self-Sufficiency Requirement (CSSR):

Under Section 12 of the U.S. Housing Act, the Spartanburg Housing Authority –is required to enforce the community service and self-sufficiency requirement (CSSR). Under the CSSR, each nonexempt adult family member residing in public housing must perform 8 hours per month of community service or self sufficiency activities.

Noncompliance: Spartanburg Housing Authority has found that the nonexempt individual named above is in noncompliance with the CSSR. This work-out agreement is the SHA's written notification to you of this noncompliance.

Our records show that for the most recent lease term you were required to perform _____ hours of CSSR activities. However, there were _____ hours of verified CSSR activities. Therefore, you are in noncompliance for _____ hours.

Spartanburg Housing Authority will not renew the lease at the end of the current 12-month lease term unless the head of household and noncompliant adult sign a written work-out agreement with Spartanburg Housing Authority or the family provides written assurance that is satisfactory to Spartanburg Housing Authority explaining that the noncompliant adult no longer resides in the unit. The regulations require that the work-out agreement include the means through which a noncompliant family member will comply with the CSSR requirement. [24 CFR 960.607(c), Notice PIH 2015-12]. The terms of the CSSR work-out agreement are on the reverse side of this page.

Enforcement: Should a family member refuse to sign this CSSR work-out agreement, or fail to comply with the terms of this CSSR work-out agreement, or fail to provide satisfactory written assurance that the noncompliant adult no longer resides in the unit, Spartanburg Housing Authority is required to initiate termination of tenancy proceedings at the end of the current 12-month lease [24 CFR 966.53(c)].

Terms of CSSR Work-Out Agreement

Noncompliant Adult: _____

Please check one of the below boxes:

☐ I [head of household or spouse/cohead] certify that the noncompliant adult named above no longer resides in the unit. [Verification attached.]

☐ I, the noncompliant adult named above, agree to complete _____ hours in the upcoming 12-month lease term. These hours include the _____ hours not fulfilled in the most previous lease term, plus the 96 hours for the upcoming lease term.

Below is a description of means through which I will comply with the CSSR requirement:

	<u>Description of Activity</u>	<u>Number of Hours</u>
<u>1.</u>		
<u>2.</u>		
<u>3.</u>		
<u>4.</u>		
<u>5.</u>		
	<u>Total Hours</u>	

SIGNED AND ATTESTED THIS DATE

Signature: _____ Date: _____
Head of Household

Signature: _____ Date: _____
Noncompliant Adult, if other than Head of Household

Signature: _____ Date: _____
SHA Official

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Chapter 12

TRANSFER POLICY

INTRODUCTION

This chapter explains the PHA's transfer policy, based on HUD regulations, HUD guidance, and PHA policy decisions.

This chapter describes HUD regulations and PHA policies related to transfers in four parts:

Part I: Emergency Transfers. This part describes emergency transfers, emergency transfer procedures, and payment of transfer costs.

Part II: PHA Required Transfers. This part describes types of transfers that may be required by the PHA, notice requirements, and payment of transfer costs.

Part III: Transfers Requested by Residents. This part describes types of transfers that may be requested by residents, eligibility requirements, security deposits, payment of transfer costs, and handling of transfer requests.

Part IV: Transfer Processing. This part describes creating a waiting list, prioritizing transfer requests, the unit offer policy, examples of good cause, deconcentration, transferring to another development and reexamination.

The PHA may require the tenant to move from the unit under some circumstances. There are also emergency circumstances under which alternate accommodations for the tenant must be provided, that may or may not require a transfer.

The tenant may also request a transfer, such as a request for a new unit as a reasonable accommodation.

The PHA must have specific policies in place to deal with acceptable transfer requests.

PART I: EMERGENCY TRANSFERS

12-I.A. OVERVIEW

HUD categorizes certain ~~situations that require actions as~~ emergency transfers [PH Occ GB, p. 147]. The emergency transfer differs from a typical transfer in that it requires immediate action by the PHA.

In the case of a genuine emergency, it may be unlikely that the PHA will have the time or resources to immediately transfer a tenant. Due to the immediate need to vacate the unit, placing the tenant on a transfer waiting list would not be appropriate. Under such circumstances, if an appropriate unit is not immediately available, the PHA should find alternate accommodations for the tenant until the emergency passes, or a permanent solution, i.e., return to the unit or transfer to another unit, is ~~reached~~possible.

12-I.B. EMERGENCY TRANSFERS

If the dwelling unit is damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants, the SHA must offer standard alternative accommodations, if available, where necessary repairs cannot be made within a reasonable time [24 CFR 966.4(h)].

SHA Policy

The following ~~is~~are considered ~~an~~ emergency circumstance warranting an immediate transfer of the tenant or family:

Maintenance conditions in the resident's unit, building or at the site that pose an immediate, verifiable threat to the life, health, or safety of the resident or family members that cannot be repaired or abated within 24 hours. Examples of such unit or building conditions would include: a gas leak, no heat in the building during the winter, no water, toxic contamination, and serious water leaks.

A verified incident of domestic violence, dating violence, sexual assault, or stalking. For instances of domestic violence, dating violence, sexual assault, or stalking, the threat may be established through documentation outlined in section 16-VII.D, or by any proof accepted by the SHA.

The SHA will immediately process requests for transfers due to domestic violence, dating violence, sexual assault, or stalking. The SHA will allow a tenant to make an internal emergency transfer under VAWA when a safe unit is immediately available. If an internal transfer to a safe unit is not immediately available, the SHA will assist the resident in seeking an external emergency transfer either within or outside the SHA's programs.

The SHA has adopted an emergency transfer plan, which is included as Exhibit 16-3 to this plan.

12-I.C. EMERGENCY TRANSFER PROCEDURES

SHA Policy

If the transfer is necessary because of maintenance conditions, and an appropriate unit is not immediately available, the SHA will provide temporary accommodations to the tenant by arranging for temporary lodging at a hotel or similar location. If the conditions that required the transfer cannot be repaired, or the condition cannot be repaired in a reasonable amount of time, the SHA will transfer the resident to the first available and appropriate unit after the temporary relocation.

In the event the emergency transfer is the result of circumstances or actions beyond the control of the SHA, the resident will be referred to the appropriate emergency agency for lodging. (For example: Short term actions conducted by utility providers.) In these instances the SHA will not bear the costs of temporarily transferring the resident.

Emergency transfers that arise due to maintenance conditions are mandatory for the tenant.

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12-I.D. COSTS OF TRANSFER

SHA Policy

The SHA will bear the reasonable costs of temporarily accommodating the tenant and of long term transfers, if any, due to SHA-determined emergency conditions and mandatory transfers deemed necessary by the SHA for the health and safety of the resident.

The reasonable cost of transfers includes the cost of packing, moving, and unloading.

The SHA will establish a moving allowance based on the typical costs in the community of packing, moving, and unloading. To establish typical costs, the SHA will collect information from companies in the community that provide these services.

The SHA will reimburse the family for eligible out-of-pocket moving expenses up to the SHA's established moving allowance.

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PART II: PHA REQUIRED TRANSFERS

12-II.A. OVERVIEW

HUD regulations regarding transfers are minimal, leaving it up to the PHA to develop reasonable transfer policies.

The PHA may require that a resident transfer to another unit under some circumstances. For example, the PHA may require a resident to transfer to make an accessible unit available to a disabled family. The PHA may also transfer a resident in order to maintain occupancy standards based on family composition. Finally, a PHA may transfer residents in order to demolish or renovate the unit.

A transfer that is required by the PHA is an adverse action, and is subject to the notice requirements for adverse actions [24 CFR 966.4(e)(8)(i)].

12-II.B. TYPES OF PHA REQUIRED TRANSFERS

SHA Policy

The types of transfers that may be required by the SHA, include, but are not limited to, transfers to make an accessible unit available for a disabled family, transfers to comply with occupancy standards, transfers for demolition, disposition, revitalization, or rehabilitation, and emergency transfers as discussed in Part I of this chapter.

Transfers required by the SHA are mandatory for the tenant.

Transfers to Make an Accessible Unit Available

When a family is initially given an accessible unit, but does not require the accessible features, the SHA may require the family to agree to move to a non-accessible unit when it becomes available [24 CFR 8.27(b)].

SHA Policy

When a non-accessible unit becomes available, the SHA will transfer a family living in an accessible unit that does not require the accessible features, to an available unit that is not accessible. The SHA may wait until a disabled resident requires the accessible unit before transferring the family that does not require the accessible features out of the accessible unit.

Occupancy Standards Transfers

The PHA may require a resident to move when a reexamination indicates that there has been a change in family composition, and the family is either overcrowded or over-housed according to PHA policy [24 CFR 960.257(a)(4)]. On some occasions, the PHA may initially place a resident in an inappropriately sized unit at lease-up, where the family is over-housed, to prevent vacancies. The public housing lease must include the tenant's agreement to transfer to an appropriately sized unit based on family composition [24 CFR 966.4(c)(3)].

SHA Policy

The SHA will transfer a family when the family size has changed and the family is now too large (overcrowded) or too small (over-housed) for the unit occupied.

For purposes of the transfer policy, overcrowded and over-housed are defined as follows:

Overcrowded: the number of household members exceeds the maximum number of persons allowed for the unit size in which the family resides, according to the chart in Section 5-I.B.

Over-housed: the family no longer qualifies for the bedroom size in which they are living based on the SHA's occupancy standards as described in Section 5-I.B.

The SHA may also transfer a family who was initially placed in a unit in which the family was over-housed to a unit of an appropriate size based on the SHA's occupancy standards, when the SHA determines there is a need for the transfer.

The SHA may elect not to transfer an over-housed family in order to prevent vacancies.

A family that is required to move because of family size will be advised by the SHA that a transfer is necessary and that the family has been placed on the transfer list.

Families that request and are granted an exception to the occupancy standards (for either a larger or smaller size unit) in accordance with the policies in Section 5-I.C. will only be required to transfer if it is necessary to comply with the approved exception.

Demolition, Disposition, Revitalizations, or Rehabilitation Transfers

These transfers permit the PHA to demolish, sell or do major capital or rehabilitation work at a building site [PH Occ GB, page 148].

SHA Policy

The SHA will relocate a family when the unit or site in which the family lives is undergoing major rehabilitation that requires the unit to be vacant, or the unit is being disposed of or demolished. The SHA's relocation plan may or may not require transferring affected families to other available public housing units.

If the relocation plan calls for transferring public housing families to other public housing units, affected families will be placed on the transfer list.

In cases of revitalization or rehabilitation, the family may be offered a temporary relocation if allowed under Relocation Act provisions, and may be allowed to return to their unit, depending on contractual and legal obligations, once revitalization or rehabilitation is complete.

12-II.C. ADVERSE ACTION [24 CFR 966.4(e)(8)(i)]

A PHA required transfer is an adverse action. As an adverse action, the transfer is subject to the requirements regarding notices of adverse actions. If the family requests a grievance hearing within the required timeframe, the PHA may not take action on the transfer until the conclusion of the grievance process.

12-II.D. COST OF TRANSFER

SHA Policy

The SHA will bear the reasonable costs of transfers that the SHA requires, except that residents will be required to bear the cost of occupancy standards transfers.

The reasonable costs of transfers include the cost of packing, moving, and unloading.

The SHA will establish a moving allowance based on the typical costs in the community of packing, moving, and unloading. To establish typical costs, the SHA will collect information from companies in the community that provide these services.

The SHA will reimburse the family for eligible out-of-pocket moving expenses up to the SHA's established moving allowance.

PART III: TRANSFERS REQUESTED BY TENANTS

12-III.A. OVERVIEW

HUD provides the PHA with discretion to consider transfer requests from tenants. The only requests that the PHA is required to consider are requests for reasonable accommodation. All other transfer requests are at the discretion of the PHA. To avoid administrative costs and burdens, this policy limits the types of requests that will be considered by the PHA.

Some transfers that are requested by tenants should be treated as higher priorities than others due to the more urgent need for the transfer.

12-III.B. TYPES OF RESIDENT REQUESTED TRANSFERS

SHA Policy

The types of requests for transfers that the SHA will consider are limited to requests for transfers to alleviate a serious or life threatening medical condition, transfers due to a threat of physical harm or criminal activity, reasonable accommodation, transfers to a different unit size as long as the family qualifies for the unit according to the SHA's occupancy standards, and transfers to a location closer to employment. No other transfer requests will be considered by the SHA.

The SHA will consider the following as high priority transfer requests:

When a transfer is needed to alleviate verified medical problems of a serious or life-threatening nature

When there ~~has been a~~ is-verified threat of physical harm or criminal activity. ~~Such circumstances may, at the PHA's discretion, include evidence, including an~~ assessment by law enforcement, indicating that a family member is the actual or potential victim of a criminal attack, ~~a target-based upon~~ retaliation for testimony, ~~or a hate crime, domestic or dating violence, sexual assault, or stalking.~~

When a family requests a transfer as a reasonable accommodation. Examples of a reasonable accommodation transfer include, but are not limited to, a transfer to a first floor unit for a person with mobility impairment, or a transfer to a unit with accessible features

The SHA will consider the following as regular priority transfer requests:

When a family requests a larger bedroom size unit even though the family does not meet the SHA's definition of overcrowded, as long as the family meets the SHA's occupancy standards for the requested size unit

When the head of household or spouse is employed 25 miles or more from the public housing unit, has no reliable transportation, and public transportation is not adequate

Transfers requested by the tenant are considered optional for the tenant.

12-III.C. ELIGIBILITY FOR TRANSFER

Transferring residents do not have to meet the admission eligibility requirements pertaining to income or preference. ~~However the PHA may establish, unless said resident is currently living in a property subject to Section 42 of the IRC, Low Income Housing Credit regulations. All transferring residents living in a SHA LIHTC property, must income qualify to be transferred to another unit within the property. However, the SHA may establish~~ other standards for considering a transfer request [PH Occ GB, p. 150].

SHA Policy

Except where reasonable accommodation is being requested, the SHA will only consider transfer requests from residents that meet the following requirements:

- Have not engaged in criminal activity that threatens the health and safety of residents and staff
- Owe no back rent or other charges, or have a pattern of late payment
- Have no housekeeping lease violations or history of damaging property
- Can get utilities turned on in the name of the head of household (applicable only to properties with tenant-paid utilities)

A resident with housekeeping standards violations will not be transferred until the resident passes a follow-up housekeeping inspection.

Exceptions to the good record requirement may be made when it is to the SHA's advantage to make the transfer. Exceptions may also be made when the SHA determines that a transfer is necessary to protect the health or safety of a resident who is a victim of domestic violence, dating violence, sexual assault, or stalking and who provides documentation of abuse in accordance with section 16-VII.D of this ACOP.

If a family requested to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, the family will not be eligible to transfer to a larger size unit for a period of two years from the date of admission, unless they have a change in family size or composition, or it is needed as a reasonable accommodation.

12-III.D. SECURITY DEPOSITS

SHA Policy

When a family transfers from one unit to another, the SHA will transfer their security deposit to the new unit. The tenant will be billed for any maintenance or others charges due for the “old” unit.

12-III.E. COST OF TRANSFER

The PHA must pay moving expenses to transfer a resident with a disability to an accessible unit as an accommodation for the resident’s disability [Notice PIH ~~2010-26~~~~2006-13~~].

SHA Policy

The resident will bear all of the costs of transfer s/he requests. However, the SHA will bear the transfer costs when the transfer is done as a reasonable accommodation.

12-III.F. HANDLING OF REQUESTS

SHA Policy

Residents requesting a transfer to another unit or development will be required to submit a written request for transfer.

In case of a reasonable accommodation transfer, the SHA will encourage the resident to make the request in writing using a reasonable accommodation request form. However, the SHA will consider the transfer request any time the resident indicates that an accommodation is needed whether or not a formal written request is submitted.

The SHA will respond by approving the transfer and putting the family on the transfer list, by denying the transfer, or by requiring more information or documentation from the family, such as documentation of domestic violence, dating violence, sexual assault, or stalking in accordance with section 16-VII.D of this ACOP.

If the family does not meet the “good record” requirements under Section 12-III.C., the manager will address the problem and, until resolved, the request for transfer will be denied.

The SHA will respond within ten (10) business days of the submission of the family’s request. If the SHA denies the request for transfer, the family will be informed of its grievance rights.

PART IV: TRANSFER PROCESSING

12-IV.A. OVERVIEW

Generally, ~~families who request a transfer~~ transfers should be placed on a transfer list and ~~processed~~ ~~handled~~ in ~~a consistent and~~ the appropriate order. The transfer process must be clearly auditable to ensure that residents do not experience ~~inequitable~~ ~~disparate~~ treatment.

12-IV.B. TRANSFER LIST

SHA Policy

The SHA will maintain a centralized transfer list to ensure that transfers are processed in the correct order and that procedures are uniform across all properties.

Emergency transfers will not automatically go on the transfer list. Instead emergency transfers will be handled immediately, on a case by case basis. If the emergency ~~cannot~~ ~~will not~~ be ~~finally~~ resolved by a temporary accommodation, and the resident requires a permanent transfer, ~~the family~~ ~~that transfer~~ will be placed at the top of the transfer list.

Transfers will be processed in the following order:

1. Emergency transfers (hazardous maintenance conditions)
2. High-priority transfers (verified medical condition, threat of harm or criminal activity, and reasonable accommodation)
3. Transfers to make accessible units available
4. Demolition, renovation, etc.
5. Occupancy standards
6. Other SHA-required transfers
7. Other tenant-requested transfers

Within each category, transfers will be processed in order of the date a family was placed on the transfer list, starting with the earliest date.

With the approval of the executive director, the SHA may, on a case-by-case basis, transfer a family without regard to its placement on the transfer list in order to address the immediate need of a family in crisis.

Demolition and renovation transfers will gain the highest priority as necessary to allow the SHA to meet the demolition or renovation schedule.

Transfers will take precedence over waiting list admissions.

12-IV.C. TRANSFER OFFER POLICY

SHA Policy

Residents will receive one offer of a transfer.

When the transfer is required by the SHA, refusal of that offer without good cause will result in lease termination.

When the transfer has been requested by the resident, the refusal of that offer without good cause will result in the removal of the family household from the transfer list. In such cases, and the family must wait six months to reapply for another transfer.

12-IV.D. GOOD CAUSE FOR UNIT REFUSAL

SHA Policy

Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

The family demonstrates Inaccessibility to the PHA's satisfaction source of employment, education, or job training, children's day care, or an educational program for children with disabilities, so that accepting the unit offer will ~~would~~ require an ~~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 the SHA's satisfaction that accepting the offer will place a family member's life, health, or safety in jeopardy. The family should offer specific and compelling documentation such as restraining orders, other court orders, ~~or~~ risk assessments related to witness protection from a law enforcement agency, or documentation of domestic violence, dating violence, or stalking in accordance with section 16-VII.D of this ACOP. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.

A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (as listed on final application) or live-in aide necessary to the care of the principal household member.

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.

The unit has lead-based paint and the family includes children under the age of six.

The SHA will require documentation of good cause for unit refusals.

12-IV.E. DECONCENTRATION

SHA Policy

If subject to deconcentration requirements, the SHA will consider its deconcentration goals when transfer units are offered. When feasible, families above the Established Income Range will be offered a unit in a development that is below the Established Income Range, and vice versa, to achieve the SHA's deconcentration goals. A deconcentration offer will be considered a "bonus" offer; that is, if a resident refuses a deconcentration offer, the resident will receive one additional transfer offer.

12-IV.F. REEXAMINATION POLICIES FOR TRANSFERS

SHA Policy

The reexamination date will not change for a tenant that transfers. Transfers shall be conducted within a period of no more than five business days unless a reasonable accommodation is requested and granted allowing a time which is contingent upon the circumstances.

Chapter 13

LEASE TERMINATIONS

INTRODUCTION

Either party ~~to the dwelling in a~~ lease agreement may terminate the lease ~~in accordance with the terms of the lease under certain circumstances~~. A public housing lease is different from a private dwelling lease in that the family's rental assistance is tied to their tenancy. When the family moves from their public housing unit, they lose their rental assistance. Therefore, there are additional safeguards to protect the family's tenancy in public housing.

Likewise, there are safeguards to protect HUD's interest in the public housing program. The PHA may have the authority to terminate the lease because of the family's failure to comply with HUD regulations, for serious or repeated violations of the terms of the lease, and for other good cause. HUD regulations also specify when termination of the lease is mandatory by the PHA, ~~and give PHAs authority to determine other reasons~~.

When determining SHA-PHA policy on terminations ~~of the lease, the PHA must consider~~, state and local landlord-tenant laws ~~in the area where the PHA is located. Such must be considered, since such laws could vary from one location to another, and these. These~~ variances may be either more or less restrictive than federal law or HUD regulation.

This chapter presents the policies that govern voluntary ~~both the family's and SHA's~~ termination of the lease ~~by the family and the mandatory and voluntary termination of the lease by the PHA~~. It is presented in four parts:

Part I: Termination by Tenant. This part discusses the PHA requirements for family's voluntary termination of the lease ~~by and the family requirements the SHA places upon families who wish to terminate their lease~~.

Part II: Termination by SHA-PHA- Mandatory. This part describes ~~the policies that govern how, and under what~~ circumstances when, a mandatory lease termination of the lease by the PHA is mandatory ~~SHA occurs~~. This part also ~~explains~~ includes nonrenewal of the lease for noncompliance with community service requirements.

Part III: Termination by SHA-PHA- Other Authorized Reasons. This part describes the SHA's-PHA's options for lease termination that are not mandated by HUD regulation but for which HUD authorizes PHAs to terminate. For some of these options HUD requires the SHA-PHA to establish policies and lease provisions for termination, but termination is not mandatory. For other options the SHA-PHA has full discretion whether to consider the options as just cause to terminate as long as the SHA-PHA policies are reasonable, nondiscriminatory, and do not violate state or local landlord-tenant law. This part also discusses the alternatives that the SHA-PHA may consider in lieu of termination, and the criteria the SHA-PHA will use when deciding what actions to take.

Part IV: Notification Requirements. This part presents the federal requirements for disclosure of criminal records to the family prior to termination, the HUD requirements and SHA-PHA policies regarding the timing and content of written notices for lease

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termination and eviction, and notification of the post office when eviction is due to criminal activity. This part also discusses record keeping related to lease termination.

PART I: TERMINATION BY TENANT

13-I.A. TENANT CHOOSES TO TERMINATE THE LEASE [24 CFR 966.4(k)(1)(ii) and 24 CFR 966.4(l)(1)]

The family may terminate the lease at any time, for any reason, by following the notification procedures as outlined in the lease. Such notice must be in writing and delivered to the ~~property~~ siteproject office or the SHA-PHA central office or sent by pre-paid first-class mail, properly addressed.

SHA Policy

If a family desires to move and terminate their tenancy with the SHA, they must give at least 30 calendar days advance written notice to the SHA of their intent to vacate. When a family must give less than 30 days notice due to circumstances beyond their control the SHA, at its discretion, may waive the 30 day requirement.

The notice of lease termination must be signed by the head of household, spouse, or cohead.

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PART II: TERMINATION BY SHA-PHA– MANDATORY

13-II.A. OVERVIEW

HUD requires mandatory termination of the SHA to terminate the lease for certain actions or inactions of the family. ~~There are circumstances. In other actions or inactions of circumstances HUD requires the family that constitute grounds SHA to establish provisions for lease termination, but the lease termination is not mandatory. The PHA must establish policies for termination of the lease in these cases where still a SHA option to determine, on a case-by-case basis, whether termination is optional for the PHA.~~

~~warranted.~~ For those tenant actions or failures to act where HUD requires termination, the SHA PHA has no such option. In those cases, the family's lease must be terminated. This part describes situations in which HUD requires the SHA-PHA to terminate the lease.

13-II.B. FAILURE TO PROVIDE CONSENT [24 CFR 960.259(a) and (b)]

The SHA-PHA must terminate the lease if any family member fails to sign and submit any consent form s/he is required to sign for any reexamination. See Chapter 7 for a complete discussion of consent requirements.

13-II.C. FAILURE TO DOCUMENT CITIZENSHIP [24 CFR 5.514(c) and (d) and 24 CFR 960.259(a)]

The SHA-PHA must terminate the lease if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family, resulting in no eligible family members; or (3) a family member, as determined by the SHAPHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. For (3), such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated.

See Chapter 7 for a complete discussion of documentation requirements.

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13-II.D. FAILURE TO DISCLOSE AND DOCUMENT~~PROVIDE~~ SOCIAL SECURITY NUMBERS~~DOCUMENTATION~~ [24 CFR 5.218(c), ~~and~~ 24 CFR 960.259(a)(3), Notice PIH 2012-10]

The PHA~~SHA~~ must terminate ~~assistance~~~~the lease~~ if a ~~participant~~~~resident~~ family fails to disclose the complete and accurate social security numbers of each household member and the provide the documentation necessary to verify each or certification required for any family member who obtains a social security number.

However, if the family is otherwise eligible for continued program assistance, and the PHA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined, joins the family to be noncompliant.

SHA Policy

The SHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

~~, or reaches 6 years of age.~~ See Chapter 7 for a complete discussion of documentation and certification requirements.

**13-II.E. FAILURE TO ACCEPT THE SHA'S PHA'S OFFER OF A LEASE REVISION
[24 CFR 966.4(l)(2)(ii)(E)]**

The SHAPHA must terminate the lease if the family fails to accept the SHAPHA's offer of a lease revision to an existing lease, provided the SHAPHA has done the following:

- The revision is on a form adopted by the SHAPHA in accordance with 24 CFR 966.3 pertaining to requirements for notice to tenants and resident organizations and their opportunity to present comments.
- The SHAPHA has made written notice of the offer of the revision at least 60 calendar days before the lease revision is scheduled to take effect.
- The SHAPHA has specified in the offer a reasonable time limit within that period for acceptance by the family.

See Chapter 8 for information pertaining to SHAPHA policies for offering lease revisions.

13-II.F. METHAMPHETAMINE CONVICTION [24 CFR 966.4(l)(5)(i)(A)]

The [SHA-PHA](#) must immediately terminate the lease if the [SHA-PHA](#) determines that any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

See Part 13-III.B. below for the HUD definition of *premises*.

13-II.G. LIFETIME REGISTERED SEX OFFENDERS [Notice PIH 2012-28]

Should a PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, the PHA must immediately terminate assistance for the household member.

In this situation, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.

13-II.H. NONCOMPLIANCE WITH COMMUNITY SERVICE REQUIREMENTS [24 CFR 966.4(l)(2)(ii)(D), 24 CFR 960.603(b) and 24 CFR 960.607(b)(2)(ii) and (c)]

The [SHA-PHA](#) is prohibited from renewing the lease at the end of the 12 month lease term when the family fails to comply with the community service requirements as described in Chapter 11.

13-II.I. DEATH OF A SOLE FAMILY MEMBER [Notice PIH 2012-4]

The PHA must immediately terminate the lease following the death of the sole family member.

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PART III: TERMINATION BY SHA – OTHER AUTHORIZED REASONS

13-III.A. OVERVIEW:

Besides requiring PHAs to terminate the lease under the circumstances described in Part II, HUD requires the [SHAPHA](#) to establish provisions in the lease for termination pertaining to certain criminal activity, alcohol abuse, and certain household obligations stated in the regulations. While these provisions for lease termination must be in the lease agreement, HUD does not require PHAs to terminate for such violations in all cases. The [SHAPHA](#) has the discretion to consider circumstances surrounding the violation or, in applicable situations, whether the offending household member has entered or completed rehabilitation, and the [SHAPHA](#) may, as an alternative to termination, require the exclusion of the culpable household member. The [SHAPHA](#) must ~~adopt policies~~~~make policy decisions~~ concerning ~~the use of~~ these options.

In addition, HUD authorizes PHAs to terminate the lease for other grounds, but for only those grounds that constitute serious or repeated violations of material terms of the lease or ~~that are~~ for other good cause. The [SHAPHA](#) must develop policies pertaining to what constitutes serious or repeated lease violations, and other good cause, based upon the content of the [SHAPHA](#) lease. In the development of the terms of the lease, the [SHAPHA](#) must consider the limitations imposed by state and local landlord-tenant law, as well as HUD regulations and federal statutes. Because of variations in state and local landlord-tenant law, and because HUD affords PHAs wide discretion in some areas, a broad range of policies could be acceptable.

The [SHAPHA](#), with some restrictions, also has the option to terminate the tenancies of families who are over income.

The [SHAPHA](#) may consider alternatives to termination and must establish policies describing the criteria the [SHAPHA](#) will use when deciding what action to take, the types of evidence that will be acceptable, and the steps the [SHAPHA](#) must take when terminating a family's lease.

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13-III.B. MANDATORY LEASE PROVISIONS [24 CFR 966.4(l)(5)]

This section addresses provisions for lease termination that must be included in the lease agreement according to HUD regulations. Although the provisions are required, HUD does not require PHAs to terminate for such violations in all cases, therefore [SHAPHA](#) policies are needed.

Definitions [24 CFR 5.100]

The following definitions will be used for this and other parts of this chapter:

~~Affiliated individual is defined in section 16-VII.B.~~

Covered person means a tenant, any member of the tenant's household, a guest, or another person under the tenant's control.

Dating violence is defined in section ~~16-VII.B3-III.F.~~

Domestic violence is defined in section ~~16-VII.B3-III.F.~~

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act [21 U.S.C. 802].

Drug-related criminal activity means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with the intent to manufacture, sell, distribute, or use the drug.

Guest means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

Household means the family and [SHAPHA](#)-approved live-in aide. The term household also includes foster children and/or foster adults that have been approved to reside in the unit [HUD-50058, Instruction Booklet, p. 65].

~~Immediate family member is defined in section 3-III.F.~~

Other person under the tenant's control means that the person, although not staying as a guest in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control*.

Premises means the building or complex or development in which the public or assisted housing dwelling unit is located, including common areas and grounds.

~~Sexual assault is defined in section 16-VII.B.~~

Stalking is defined in section ~~16-VII.B3-III.F.~~

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

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Drug Crime On or Off the Premises [24 CFR 966.4(l)(5)(i)(B)]

The lease must provide that drug-related criminal activity engaged in on or off the premises by the tenant, member of the tenant's household or guest, or any such activity engaged in on the premises by any other person under the tenant's control is grounds for termination.

SHA Policy

The SHA will terminate the lease for drug-related criminal activity engaged in on or off the premises by any tenant, member of the tenant's household or guest, and any such activity engaged in on the premises by any other person under the tenant's control.

The SHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of covered persons related to the drug-related criminal activity.

A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate the lease, the SHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the SHA may, on a case-by-case basis, choose not to terminate the lease.

Illegal Use of a Drug [24 CFR 966.4(l)(5)(i)(B)]

The lease must provide that a PHA may evict a family when the PHA determines that a household member is illegally using a drug or that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

SHA Policy

The SHA will terminate the lease when the SHA determines that a household member is illegally using a drug or the SHA determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

A pattern of illegal drug use means more than one incident of any use of illegal drugs during the previous six months.

The SHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the use of illegal drugs.

A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate the lease, the SHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the SHA may, on a case-by-case basis, choose not to terminate the lease.

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Threat to Other Residents [24 CFR 966.4(l)(5)(ii)(A)]

The lease must provide that any criminal activity by a covered person that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including [SHA-PHA](#) management staff residing on the premises) or by persons residing in the immediate vicinity of the premises is grounds for termination of tenancy.

SHA Policy

The SHA will terminate the lease when a covered person engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including SHA management staff residing on the premises) or by persons residing in the immediate vicinity of the premises.

Immediate vicinity means within a three-block radius of the premises.

The SHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of covered persons related to the criminal activity.

A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate the lease, the SHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the SHA may, on a case-by-case basis, choose not to terminate the lease.

Alcohol Abuse [24 CFR 966.4(l)(5)(vi)(A)]

PHAs must establish standards that allow termination of tenancy if the [SHA-PHA](#) determines that a household member has engaged in abuse or pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

SHA Policy

The SHA will terminate the lease if the SHA determines that a household member has engaged in abuse or a pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

A pattern of such alcohol abuse means more than one incident of any such abuse of alcohol during the previous six months.

The SHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the abuse of alcohol.

A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate the lease, the SHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the SHA may, on a case-by-case basis, choose not to terminate the lease.

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Furnishing False or Misleading Information Concerning Illegal Drug Use or Alcohol Abuse or Rehabilitation [24 CFR 966.4(l)(5)(vi)(B)]

PHAs must establish standards that allow termination of tenancy if the [SHA-PHA](#) determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

SHA Policy

The SHA will terminate the lease if the SHA determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

The SHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the use of illegal drugs or the abuse of alcohol, and any records or other documentation (or lack of records or documentation) supporting claims of rehabilitation of illegal drug users or alcohol abusers.

In making its decision to terminate the lease, the SHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the SHA may, on a case-by-case basis, choose not to terminate the lease.

Other Serious or Repeated Violations of Material Terms of the Lease – Mandatory Lease Provisions [24 CFR 966.4(l)(2)(i) and 24 CFR 966.4(f)]

HUD regulations require certain tenant obligations to be incorporated into the lease. Violations of such regulatory obligations are considered to be serious or repeated violations of the lease and grounds for termination. Incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking [~~24 CFR 5.2005(c)(1)]. Pub.L. 109-162~~].

SHA Policy

The SHA will terminate the lease for the following violations of tenant obligations under the lease:

Failure to make payments due under the lease, including nonpayment of rent (see Chapter 8 for details pertaining to lease requirements for payments due);

Repeated late payment of rent or other charges. Four late payments within a 12 month period shall constitute a repeated late payment.

Failure to fulfill the following household obligations:

Not to assign the lease or to sublease the dwelling unit. Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

Not to provide accommodations for boarders or lodgers

To use the dwelling unit solely as a private dwelling for the tenant and the tenant's household as identified in the lease, and not to use or permit its use for any other purpose

To abide by necessary and reasonable regulations promulgated by the SHA for the benefit and well-being of the housing project and the tenants which shall be posted in the project office and incorporated by reference in the lease

To comply with all obligations imposed upon tenants by applicable provisions of building and housing codes materially affecting health and safety

To keep the dwelling unit and such other areas as may be assigned to the tenant for the tenant's exclusive use in a clean and safe condition

To dispose of all ashes, garbage, rubbish, and other waste from the dwelling unit in a sanitary and safe manner

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To use only in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appurtenances including elevators

To refrain from, and to cause the household and guests to refrain from destroying, defacing, damaging, or removing any part of the dwelling unit or project

To pay reasonable charges (other than for normal wear and tear) for the repair of damages to the dwelling unit, or to the project (including damages to project buildings, facilities or common areas) caused by the tenant, a member of the household or a guest

To act, and cause household members or guests to act, in a manner which will not disturb other residents' peaceful enjoyment of their accommodations and will be conducive to maintaining the project in a decent, safe and sanitary condition

In making its decision to terminate the lease, the SHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the SHA may, on a case-by-case basis, choose not to terminate the lease.

13-III.C. OTHER AUTHORIZED REASONS FOR TERMINATION [24 CFR 966.4(l)(2) and (5)(ii)(B)]

HUD authorizes PHAs to terminate the lease for reasons other than those described in the previous sections. These reasons are referred to as “other good cause.”

Other Good Cause [24 CFR 966.4(l)(2)(ii)(B) and (C)]

HUD regulations state that the [SHA-PHA](#) may terminate tenancy for other good cause. The regulations provide a few examples of other good cause, but do not limit the [SHA-PHA](#) to only those examples. The Violence against Women Reauthorization Act of ~~2013~~[2005](#) explicitly prohibits PHAs from considering incidents of actual or threatened domestic violence, dating violence, [sexual assault](#), or stalking as “other good cause” for terminating the [assistance](#), tenancy, or occupancy rights of the victim [or threatened victim](#) of such violence [\[24 CFR 5.2005\(c\)\(1\)\]](#).

SHA Policy

The SHA will terminate the lease for the following reasons.

Fugitive Felon or Parole Violator. If a tenant is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or violating a condition of probation or parole imposed under federal or state law.

Persons subject to sex offender registration requirement. If any member of the household has, during their current public housing tenancy, become subject to a registration requirement under a state sex offender registration program.

Discovery [of facts](#) after admission ~~to the program of facts~~ that [would have](#) made the tenant ineligible

Discovery of material false statements or fraud by the tenant in connection with an application for assistance or with [a](#) reexamination of income

Failure to furnish such information and certifications regarding family composition and income as may be necessary for the SHA to make determinations with respect to rent, eligibility, and the appropriateness of the dwelling [unit](#) size

Failure to transfer to an appropriate size dwelling unit based on family composition, upon appropriate notice by the SHA that such a dwelling unit is available

Failure to permit access to the unit by the SHA after proper advance notification for the purpose of performing routine inspections and maintenance, for making improvements or repairs, or to show the dwelling unit for re-leasing, or without advance notice if there is reasonable cause to believe that an emergency exists

Failure to promptly inform the SHA of the birth, adoption or court-awarded custody of a child. In such a case, promptly means within 10 business days of the event.

Failure to abide by the provisions of the SHA pet policy

If the family has breached the terms of a repayment agreement entered into with the SHA

If a family member has violated federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

If a household member has engaged in or threatened violent or abusive behavior toward SHA personnel.

Abusive or violent behavior towards SHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to terminate the lease, the SHA will consider alternatives as described in Section 13-III.D and other factors described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the SHA may, on a case-by-case basis, choose not to terminate the lease.

Family Absence from Unit [24 CFR 982.551(i)]

It is reasonable that the family may be absent from the public housing unit for brief periods.

However, the [SHA-PHA](#) needs a policy on how long the family may be absent from the unit.

Absence in this context means that no member of the family is residing in the unit.

SHA Policy

The family must supply any information or certification requested by the SHA to verify that the family is living in the unit, or relating to family absence from the unit, including any SHA-requested information or certification on the purposes of family absences. The family must cooperate with the SHA for this purpose.

The family must promptly notify the SHA when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. In such a case promptly means within 10 business days of the start of the extended absence.

If a family is absent from the public housing unit for more than 180 consecutive days, and the family does not adequately verify that they are living in the unit, the SHA will terminate the lease for other good cause.

Abandonment of the unit. If the family appears to have vacated the unit without giving proper notice, the SHA will follow state and local landlord-tenant law pertaining to abandonment before taking possession of the unit. If necessary, the SHA will secure the unit immediately to prevent vandalism and other criminal activity.

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Over-Income Families [24 CFR 960.261 and FR 11/26/04, p. 68786]

Subject to certain restrictions, HUD authorizes PHAs to evict or terminate the tenancies of families because they are over income. Unless required to do so by local law, the [SHA-PHA](#) may not evict or terminate the tenancy of a family solely because the family is over income if: (1) the family has a valid contract of participation in the Family Self-Sufficiency (FSS) program, or (2) the family is currently receiving the earned income disallowance. This rule does not require PHAs to evict over-income residents, but rather gives PHAs the discretion to do so thereby making units available for applicants who are income-eligible.

SHA Policy

The SHA will not evict or terminate the tenancies of families solely because they are over income.

13-III.D. ALTERNATIVES TO TERMINATION OF TENANCY

Exclusion of Culpable Household Member [24 CFR 966.4(l)(5)(vii)(C)]

As an alternative to termination of the lease for criminal activity or alcohol abuse HUD provides that the [SHA-PHA](#) may consider exclusion of the culpable household member. Such an alternative can be used, by SHA policy, for any other reason where such a solution appears viable in accordance with PHA policy.

SHA Policy

The SHA will consider requiring the tenant to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

As a condition of the family's continued occupancy, the head of household must certify that the culpable household member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former household member's current address upon SHA request.

Repayment of Family Debts

SHA Policy

If a family owes amounts to the SHA, as a condition of continued occupancy, the SHA will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the SHA of the amount owed. See Chapter 16 for policies on repayment agreements.

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13-III.E. CRITERIA FOR DECIDING TO TERMINATE TENANCY

A [SHA-PHA](#) that has grounds to terminate a tenancy is not required to do so, except as explained in Part II of this chapter, and may consider all of the circumstances relevant to a particular case before making a decision.

Evidence [24 CFR 982.553(c)]

For criminal activity, HUD permits the [SHA-PHA](#) to terminate the lease if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted, and without satisfying the standard of proof used for a criminal conviction.

SHA Policy

The SHA will use ~~the concept of~~ the preponderance of the evidence as the standard for making all termination decisions.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

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Consideration of Circumstances [24 CFR 966.4(l)(5)(vii)(B)]

Although it is required that certain lease provisions exist for criminal activity and alcohol abuse, HUD provides that the [SHA-PHA](#) may consider all circumstances relevant to a particular case in order to determine whether or not to terminate the lease.

Such relevant circumstances can also be considered when terminating the lease for any other reason.

SHA Policy

The SHA will consider the following ~~facts and circumstances~~~~factors~~ before deciding whether to terminate the lease for any of the HUD required lease provisions or for any other reasons:

The seriousness of the offending action, especially with respect to how it would affect other ~~residents' safety or property~~~~residents~~

The extent of participation or culpability of the leaseholder, or other household members, in the offending action, including whether the culpable member is a minor, a person with disabilities, or (as discussed further in section 13-III.F) a victim of domestic violence, dating violence, ~~sexual assault~~, or stalking

The effects that the eviction will have on other family members who were not involved in the action or failure to act

The effect on the community of the termination, or of the SHA's failure to terminate the tenancy

The effect of the SHA's decision on the integrity of the public housing program

The demand for housing by eligible families who will adhere to lease responsibilities

The extent to which the leaseholder has shown personal responsibility and whether they have taken all reasonable steps to prevent or mitigate the offending action

The length of time since the violation occurred, ~~including the age of the individual at the time of the conduct, as well as~~ the family's recent history, and the likelihood of favorable conduct in the future

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While a record of arrest(s) will not be used as the basis for termination, an arrest may, however, trigger an investigation to determine whether the participant actually engaged in disqualifying criminal activity. As part of its investigation, the PHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The PHA may also consider:

Any statements made by witnesses or the participant not included in the police report

Whether criminal charges were filed

Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal

Any other evidence relevant to determining whether or not the participant engaged in disqualifying activity

Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property.

In the case of program abuse, the dollar amount of the underpaid rent and whether or not a false certification was signed by the family

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Consideration of Rehabilitation [24 CFR 966.4(l)(5)(vii)(D)]

HUD authorizes PHAs to take into consideration whether a household member who had used illegal drugs or abused alcohol and is no longer engaging in such use or abuse is participating in or has successfully completed a supervised drug or alcohol rehabilitation program.

SHA Policy

In determining whether to terminate the lease for illegal drug use or a pattern of illegal drug use, or for abuse or a pattern of abuse of alcohol, by a household member who is no longer engaging in such use or abuse, the SHA will consider whether such household member ~~is participating in or~~ has successfully completed a supervised drug or alcohol rehabilitation program, ~~or has otherwise been rehabilitated successfully.~~

For this purpose the SHA will require the tenant to submit evidence of the household member's ~~current participation in, or~~ successful completion of; a supervised drug or alcohol rehabilitation program ~~or evidence of otherwise having been rehabilitated successfully.~~

Reasonable Accommodation [24 CFR 966.7]

If the family includes a person with disabilities, the ~~SHA's~~ PHA's decision to terminate the family's lease is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

SHA Policy

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of lease, the SHA will determine whether the behavior is related to the disability. If so, upon the family's request, the SHA will determine whether alternative measures are appropriate as a reasonable accommodation. The SHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed lease termination. See Chapter 2 for a discussion of reasonable accommodation.

Nondiscrimination Limitation [24 CFR 966.4(l)(5)(vii)(F)]

The ~~SHA's~~ PHA's eviction actions must be consistent with fair housing and equal opportunity provisions of 24 CFR 5.105.

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13-III.F. TERMINATIONS RELATED TO PROHIBITION AGAINST TERMINATING TENANCY OF VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR AND STALKING [24 CFR 5.2005]

This section addresses the protections against termination of tenancy that the Violence against Women Reauthorization Act of 2013 (VAWA) provides for public housing residents who are victims of domestic violence, dating violence, sexual assault, or stalking. For general VAWA requirements and PHA policies pertaining to notification, documentation, and confidentiality, see section 16-VII of this ACOP, where definitions of key VAWA terms are also located.

VAWA Protections against Termination [24 CFR 5.2005(c)]

VAWA provides that no person may deny assistance, tenancy, or occupancy rights to public housing to a tenant solely on the basis of that “criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is, engaged in by a member of the tenant’s household of the tenant or any guest or other person under the tenant’s control of the tenant, shall not be cause for termination of the tenancy or occupancy rights, if the tenant or affiliated individual immediate family member of the tenant’s family is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking [FR Notice 8/6/13]..that abuse.”

VAWA further provides that incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed either as serious or repeated violations of the lease by the victim or threatened victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence [24 CFR 5.2005(c)(1), FR Notice 8/6/13].

Definitions

For the definitions of domestic violence, dating violence, stalking, and immediate family member, see section 3-III.F.

VAWA and Other Laws [24 CFR 5.2009, 24 CFR 5.2005(d)]

VAWA does not supersede any other federal, state, or local law that provides greater protection to victims of domestic violence, dating violence, or stalking.

Moreover, VAWA does not limit the SHA’s duty to honor court orders issued to protect a victim or to address the distribution of property when a family breaks up.

Limits on VAWA Protections [24 CFR 5.2005(d) and b), 24 CFR 5.2005(e), FR Notice 8/6/13]

While VAWA prohibits a SHA-PHA from using domestic violence, dating violence, sexual assault, or stalking as the cause for a termination or eviction action against a public housing tenant who is the victim of the abuse, the protections it provides are not absolute. Specifically:

- VAWA does not limit a SHA’s-PHA’s otherwise available authority to terminate assistance to or evict a victim for lease violations not premised on an act of domestic violence, dating violence, sexual assault, or stalking providing that the SHA-PHA does not subject the victim to a more demanding standard than the standard to which it holds other tenants.

- VAWA does not limit a SHA's PHA's authority to terminate the tenancy of any public housing tenant if the SHA-PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant's tenancy is not terminated.

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)]. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur [24 CFR 5.2005(e)]

Even when a victim poses an actual and imminent threat, however, HUD regulations authorize a PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat, including but not limited to transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat" [24 CFR 5.2005(d)(3)]. Additionally, HUD regulations state that restrictions "predicated on public safety cannot be based on stereotypes, but must be tailored to particularized concerns about individual residents" [24 CFR 5.2005(d)(3)].

SHA Policy

In determining whether a public housing tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking is an actual and imminent threat to other tenants or those employed at or providing service to a property, the SHA will consider the following, and any other relevant, factors:

Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault, or stalking

Whether the threat is a physical danger beyond a speculative threat

Whether the threat is likely to happen within a short period of time

Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location, transferring the victim to another unit, or seeking a legal remedy to prevent the perpetrator from acting on the threat

If the tenant wishes to contest the SHA's determination that he or she is an actual and imminent threat to other tenants or employees, the tenant may do so as part of the grievance hearing or in a court proceeding.

Victim Notification [Notice PIH 2006-42]

~~VAWA requires PHAs to notify tenants of their rights under VAWA and to inform them about the existence of form HUD-50066, Certification of Domestic Violence, Dating Violence, or Stalking. (For general VAWA notification policies, see section 16 VII.) Notice PIH 2006-42 identifies two ways that a SHA may fulfill this requirement in the event of a termination or start of an eviction proceeding:~~

- ~~•It may enclose the form with the termination or eviction notice and direct the family to complete, sign, and return the form, if applicable, by a specified date.~~
- ~~•It may include language discussing the protections provided by VAWA in the termination or eviction notice and request that a tenant come to the SHA office and pick up the form if the tenant believes the VAWA protections apply.~~

~~Notice PIH 2006-42 points out that mailing the certification form in response to an incident could place the victim at risk, since the abuser may be monitoring the mail. In such cases, the notice recommends that PHAs work with tenants to make other delivery arrangements.~~

SHA Policy

~~The SHA will follow the lease termination notice policy in section 13 IV.D. If the SHA has reason to suspect that the notice might place a victim of domestic violence at risk, it will attempt to deliver the notice by hand directly to the victim. The SHA will use the same caution if it decides to deliver VAWA information to a victim at any other time following an incident of domestic violence.~~

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Victim Documentation of Abuse [24 CFR 5.2007][Notice PIH-2006-42]

SHA Policy

When VAWA authorizes PHAs responding to incidents of actual or threatened domestic violence, dating violence, or stalking to request in writing that a tenant complete, sign, and submit a HUD-approved certification form (form HUD-50066):

In lieu of a certification form, or in addition to the certification form, a tenant may provide one of the following:

- A federal, state, tribal, territorial, or local police or court record documenting the domestic violence, dating violence, or stalking
- Documentation signed by an employee, agent, or volunteer of a victim service provider; an attorney; or a medical professional from whom the victim has sought assistance in addressing domestic violence, dating violence, or stalking, or the effects of such abuse, in which the professional attests under penalty of perjury to the professional's belief that the incidents in question are bona fide incidents of abuse, and the victim of domestic violence, dating violence, or stalking has signed or attested to the documentation

A SHA is not required to demand that an individual produce official documentation or physical proof of an individual's status as a victim of domestic violence, dating violence, or stalking in order to receive the protections of VAWA. A SHA may, at its discretion, provide assistance to an individual based solely upon the individual's statement or other corroborating evidence.

VAWA specifies that a victim of domestic violence, dating violence, or stalking must provide documentation of abuse within 14 business days after receipt of a written request for such documentation by a SHA. If the victim does not provide the documentation within that time frame, or any extension approved by the SHA, the victim forfeits the protections against termination afforded by VAWA, and the SHA is free to evict or terminate the assistance of the victim in accordance with otherwise applicable law and lease provisions.

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SHA Policy

When ~~a tenant family an individual~~ is facing termination of tenancy for reasonslease ~~termination because of the actions of a tenant, household member, guest, or other person under the tenant's control and a tenant or immediate family member of the tenant's family claims that she or he is the victim of such actions and that the actions are related to domestic violence, dating violence, sexual assault, or stalking~~ claims protection under VAWA, the SHA will request in writing that the individual ~~providesubmit~~ documentation supporting theaffirming that claim in accordance with the policies in section 16-VII.D of this ACOP. ~~The written request will include explicit instructions on where, when, and to whom the documentation must be submitted. It will also state the consequences for failure to submit the documentation by the deadline.~~

~~The documentation will consist of a completed and signed form HUD-50066, Certification of Domestic Violence, Dating Violence, or Stalking. In lieu of the certification form, the SHA will accept either of the following forms of documentation:~~

~~A police or court record documenting the actual or threatened abuse~~

~~Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; or a medical or other knowledgeable professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.~~

The SHA reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice. In such cases the PHA will document the waiver in the individual's file,

~~The individual claiming victim status must submit the requested documentation within 14 business days after receipt of the SHA's written request or must request an extension within that time frame. The SHA may, at its discretion, extend the deadline for 10 business days.~~

~~If the individual provides the requested documentation within 14 business days, or any SHA approved extension, the SHA will reconsider its termination decision in light of the documentation.~~

~~If the individual does not provide the requested documentation within 14 business days, or any SHA approved extension, the SHA will proceed with termination of the family's lease in accordance with applicable local, state, and federal law and the policies in this ACOP.~~

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Terminating or Evicting a Perpetrator of Domestic Violence ~~[24 CFR 5.2005(e)]~~

Although VAWA provides protection from termination for victims of domestic violence, it does not provide such protection for perpetrators. In fact, VAWA gives the SHA-PHA the explicit authority to bifurcate a lease, or ~~to~~ remove a household member from a lease, “in order to evict, remove, ~~terminate occupancy rights,~~ or terminate assistance to any individual who is a tenant or lawful occupant of the housing and who engages in criminal activity directly relating to domestic acts of physical violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual~~family members or others~~, without evicting, removing, terminating assistance to, or otherwise penalizing ~~at the~~ victim of such criminal activity~~violence~~ who is also a tenant or lawful occupant of the housing” [FR Notice 8/6/13]. Moreover, HUD regulations impose on the PHA the obligation to consider lease bifurcation in any circumstances involving domestic violence, dating violence, or stalking [24 CFR 966.4(e)(9)].

~~”~~Specific lease language affirming the PHA’s~~this~~ authority to bifurcate a lease is not necessary, ~~and. Further,~~ the authority supersedes any local, state, or ~~other~~ federal law to the contrary. However, if the SHA-PHA chooses to exercise ~~its~~~~this~~ authority to bifurcate a lease, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law for eviction, lease termination, or termination of assistance. ~~[Pub.L. 109-271]~~. This means that the SHA-PHA must follow the same rules when terminating or evicting an individual as it would when terminating or evicting an entire family [FR Notice 3/16/073/16/07 Federal Register notice on the applicability of VAWA to HUD programs].

SHA Policy

The SHA will bifurcate a family’s lease and terminate the tenancy of a family member if the SHA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the tenancy or program assistance of the remaining, nonculpable family members.

In making its decision, the SHA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-~~50066~~5382) or other documentation of abuse submitted to the SHA by the victim in accordance with this section and section 16-VII.D. The SHA will also consider the factors in section 13.III.E. Upon such consideration, the SHA may, on a case-by-case basis, choose not to bifurcate the lease and terminate the tenancy of the culpable family member.

If the SHA does bifurcate the lease and terminate the tenancy of the culpable family member, it will do so in accordance with the lease, applicable law, and the policies in this ACOP. If ~~necessary,~~ the person removed from SHA ~~will also take steps to ensure that the lease was the only tenant eligible to receive assistance, the SHA must provide any remaining tenant/family members have a chance/safe place to establish eligibility for the unit. If live during the termination process. For example, the SHA may offer the remaining tenant cannot do so, the PHA must provide the tenant reasonable time to find new/family members another public housing unit, if available; it may help them relocate to a confidential location; or it may refer them to establish eligibility for another housing program covered by VAWA 2013a victim service provider or other agency with shelter facilities.~~

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SHA Confidentiality Requirements [24 CFR 5.2007(a)(1)(v)]

All information provided to the SHA regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared data base nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law.

SHA Policy

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the SHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

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PART IV: NOTIFICATION REQUIREMENTS, EVICTION PROCEDURES AND RECORD KEEPING

13-IV.A. OVERVIEW

HUD regulations specify the requirements for the notice that must be provided prior to lease termination. This part discusses those requirements and the specific requirements that precede and follow termination for certain criminal activities which are addressed in the regulations. This part also discusses specific requirements pertaining to the actual eviction of families and record keeping.

13-IV.B. CONDUCTING CRIMINAL RECORDS CHECKS [24 CFR 5.903(e)(ii) and 24 CFR 960.259]

HUD authorizes PHAs to conduct criminal records checks on public housing residents for lease enforcement and eviction. [SHA-PHA](#) policy determines when the [SHA-PHA](#) will conduct such checks.

SHA Policy

The SHA will conduct criminal records checks when it has come to the attention of the SHA, either from local law enforcement or by other means, that an individual has engaged in the destruction of property, engaged in violent activity against another person, or has interfered with the right to peaceful enjoyment of the premises of other residents. Such checks will also include sex offender registration information. In order to obtain such information, all adult household members must sign consent forms for release of criminal conviction and sex offender registration records on an annual basis.

The [SHA-PHA](#) may not pass along to the tenant the costs of a criminal records check.

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13-IV.C. DISCLOSURE OF CRIMINAL RECORDS TO FAMILY [24 CFR 5.903(f), 24 CFR 5.905(d) and 24 CFR 966.4(l)(5)(iv)]

In conducting criminal records checks, if the [SHAPHA](#) uses the authority of 24 CFR 5.903 and 5.905 to obtain such information, certain protections must be afforded the tenant before any adverse action is taken. In such cases if the [SHAPHA](#) obtains criminal records information from a state or local agency showing that a household member has been convicted of a crime, or is subject to a sex offender registration requirement, relevant to lease enforcement or eviction, the [SHAPHA](#) must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of such information, and an opportunity to dispute the accuracy and relevance of the information before an eviction or lease enforcement action is taken.

SHA Policy

In all cases where criminal record or sex offender registration information would result in lease enforcement or eviction, the SHA will notify the household in writing of the proposed adverse action and will provide the subject of the record and the tenant a copy of such information, and an opportunity to dispute the accuracy and relevance of the information before an eviction or lease enforcement action is taken.

The family will be given 10 business days from the date of the SHA notice, to dispute the accuracy and relevance of the information. If the family does not contact the SHA to dispute the information within that 10 business day period, the SHA will proceed with the termination action.

Should the tenant not exercise their right to dispute prior to any adverse action, the tenant still has the right to dispute in the grievance hearing or court trial.

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13-IV.D. LEASE TERMINATION NOTICE [24 CFR 966.4(l)(3)]

Form, Delivery, and Content of the Notice

Notices of lease termination must be in writing. The notice must state the specific grounds for termination, the date the termination will take place, the resident's right to reply to the termination notice, and their right to examine [SHAPHA](#) documents directly relevant to the termination or eviction. If the [SHAPHA](#) does not make the documents available for examination upon request by the tenant, the [SHAPHA](#) may not proceed with the eviction [24 CFR 996.4(m)].

When the [SHAPHA](#) is required to offer the resident an opportunity for a grievance hearing, the notice must also inform the resident of their right to request a hearing in accordance with the [SHAPHA](#)'s grievance procedure. In these cases, the tenancy shall not terminate until the time for the tenant to request a grievance hearing has expired and the grievance procedure has been completed.

When the [SHAPHA](#) is not required to offer the resident an opportunity for a grievance hearing because HUD has made a due process determination and the lease termination is for criminal activity that threatens health, safety or right to peaceful enjoyment or for drug-related criminal activity, the notice of lease termination must state that the tenant is not entitled to a grievance hearing on the termination. It must specify the judicial eviction procedure to be used by the [SHAPHA](#) for eviction of the tenant, and state that HUD has determined that the eviction procedure provides the opportunity for a hearing in court that contains the basic elements of due process as defined in HUD regulations. The notice must also state whether the eviction is for a criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the [SHAPHA](#), or for a drug-related criminal activity on or off the premises.

SHA Policy

The SHA will attempt to deliver notices of lease termination directly to the tenant or an adult member of the household. ~~(For terminations related to domestic violence, see also the policy under "Victim Notification" in section 13-III.F.)~~ If such attempt fails, the notice will be sent by first-class mail the same day.

All notices of lease termination will include ~~information about a statement of~~ the protection against termination provided by the Violence against Women Reauthorization Act of ~~2013~~2005 (VAWA) for ~~victims of domestic violence, dating violence, sexual assault, or stalking (see section 16-VII.C).~~ The PHA-~~They~~ will also include a copy of ~~the form HUD-500665382 and a notice of VAWA rights to accompany the termination notice, Certification of Domestic Violence, Dating Violence, or Stalking.~~ Any ~~tenant/family member~~ who claims that the cause for termination involves (a) criminal acts of physical violence against family members or others or (b) incidents of domestic violence, dating violence, ~~sexual assault~~, or stalking of which ~~the tenant or affiliated individual of the tenant a family member~~ is the victim will be given the opportunity to provide documentation in accordance with the policies in ~~sections~~section 13-III.F and 16-VII.D.

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Timing of the Notice [24 CFR 966.4(l)(3)(i)]

The [SHA-PHA](#) must give written notice of lease termination of:

- 14 calendar days in the case of failure to pay rent
- A reasonable period of time considering the seriousness of the situation (but not to exceed 30 calendar days)

If the health or safety of other residents, [SHA-PHA](#) employees, or persons residing in the immediate vicinity of the premises is threatened

If any member of the household has engaged in any drug-related criminal activity or violent criminal activity

If any member of the household has been convicted of a felony

- 30 calendar days in any other case, except that if a state or local law allows a shorter notice period, such shorter period shall apply

SHA Policy

The SHA will give written notice of 14 calendar days for nonpayment of rent. For all other lease terminations the SHA will give 30 days written notice or, if state or local law allows less than 30 days, such shorter notice will be given.

The Notice to Vacate that may be required under state or local law may be combined with or run concurrently with the notice of lease termination.

Notice of Nonrenewal Due to Community Service Noncompliance [24 CFR 966.4(l)(2)(ii)(D), 24 CFR 960.603(b) and 24 CFR 960.607(b)]

When the [SHA-PHA](#) finds that a family is in noncompliance with the community service requirement, the tenant and any other noncompliant resident must be notified in writing of this determination. Notices of noncompliance will be issued in accordance with the requirements and policies in Section 11-I.E.

SHA Policy

If after receiving a notice of initial noncompliance the family does not request a grievance hearing, or does not take either corrective action required by the notice within the required timeframe, a termination notice will be issued in accordance with the policies above.

If a family agreed to cure initial noncompliance by signing an agreement, and is still in noncompliance after being provided the 12-month opportunity to cure, the family will be issued a notice of continued noncompliance. The notice of continued noncompliance will be sent in accordance with the policies in Section 11-I.E. and will also serve as the notice of termination of tenancy.

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Notice of Termination Based on Citizenship Status [24 CFR 5.514 (c) and (d)]

In cases where termination of tenancy is based on citizenship status, HUD requires the notice of termination to contain additional information. In addition to advising the family of the reasons their assistance is being terminated, the notice must also advise the family of any of the following that apply: the family's eligibility for proration of assistance, the criteria and procedures for obtaining relief under the provisions for preservation of families, the family's right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal, and the family's right to request an informal hearing with the [SHA-PHA](#) either upon completion of the USCIS appeal or in lieu of the USCIS appeal. Please see Chapter 14 for the [SHA's-PHA's](#) informal hearing procedures.

13-IV.E. EVICTION [24 CFR 966.4(l)(4) and 966.4(m)]

Eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The [SHA-PHA](#) may only evict the tenant from the unit by instituting a court action, unless the law of the jurisdiction permits eviction by administrative action, after a due process administrative hearing, and without a court determination of the rights and liabilities of the parties.

SHA Policy

When a family does not vacate the unit after receipt of a termination notice, by the deadline given in the notice, the SHA will follow state and local landlord-tenant law in filing an eviction action with the local court that has jurisdiction in such cases.

If the eviction action is finalized in court and the family remains in occupancy beyond the deadline to vacate given by the court, the SHA will seek the assistance of the court to remove the family from the premises as per state and local law.

The SHA may not proceed with an eviction action if the SHA has not made available the documents to be used in the case against the family, and has not afforded the family the opportunity to examine and copy such documents in accordance with the provisions of 24 CFR 966.4(l)(3) and (m).

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13-IV.F. NOTIFICATION TO POST OFFICE [24CFR 966.4(l)(5)(iii)(B)]

When the [SHA-PHA](#) evicts an individual or family for criminal activity, including drug-related criminal activity, the [SHA-PHA](#) must notify the local post office serving the dwelling unit that the individual or family is no longer residing in the unit.

13-IV.G. RECORD KEEPING

For more information concerning general record keeping, see Chapter 16.

SHA Policy

A written record of every termination and/or eviction will be maintained by the SHA at the development where the family was residing, and will contain the following information:

Name of resident, number and identification of unit occupied

Date of the notice of lease termination and any other notices required by state or local law; these notices may be on the same form and will run concurrently

Specific reason(s) for the notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the notices described in detail (other than any criminal history reports obtained solely through the authorization provided in 24 CFR 5.903 and 5.905)

Date and method of notifying the resident

Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions

Chapter 14

GRIEVANCES AND APPEALS

INTRODUCTION

This chapter discusses grievances and appeals pertaining to [SHA-PHA](#) actions or failures to act that adversely affect public housing applicants or residents. The policies are discussed in the following three parts:

Part I: Informal Hearings for Public Housing Applicants. This part outlines the requirements and procedures for informal hearings for public housing applicants.

Part II: Informal Hearings with Regard to Noncitizens. This part discusses informal hearings regarding citizenship status and where they differ from the requirements for general applicant and tenant grievances.

Part III: Grievance Procedures for Public Housing Residents. This part outlines the requirements and procedures for handling grievances for public housing residents.

Note that this chapter is not the [SHA's-PHA's](#) grievance procedure. The grievance procedure is a document separate from the ACOP. This chapter of the ACOP provides the policies that drive the grievance procedure.

PART I: INFORMAL HEARINGS FOR PUBLIC HOUSING APPLICANTS

14-I.A. OVERVIEW

When the [SHA-PHA](#) makes a decision that has a negative impact on an applicant family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal hearing. HUD regulations do not provide a structure for or requirements regarding informal hearings for applicants (except with regard to citizenship status, to be covered in Part II). This part discusses the [SHA-PHA](#) policies necessary to respond to applicant appeals through the informal hearing process.

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14-I.B. INFORMAL HEARING PROCESS [24 CFR 960.208(a) and PH Occ GB, p. 58]

Informal hearings are provided for public housing applicants. An applicant is someone who has applied for admission to the public housing program, but is not yet a tenant in the program. Informal hearings are intended to provide a means for an applicant to dispute a determination of ineligibility for admission to a project [24 CFR 960.208(a)]. Applicants to public housing are not entitled to the same hearing process afforded tenants ~~underin~~ the ~~SHA-PHA grievance procedures~~procedure [24 CFR 966.53(a) and PH Occ GB, p. 58].

Informal hearings provide ~~applicants~~ the ~~opportunity~~applicant a means to ~~review~~hear the ~~details of the reasons for denial of admission~~rejection, and ~~an opportunity~~ to present evidence to ~~refute the grounds for denial~~the contrary if available, and to claim mitigating circumstances if possible.

Use of Informal Hearing Process

While the ~~SHA-PHA~~ must offer the opportunity of an informal hearing to applicants who have been determined as ineligible for admission, the ~~SHA-PHA~~ could make the informal hearing process available to applicants who wish to dispute other ~~SHA-PHA~~ actions that adversely affect them.

SHA Policy

The SHA will only offer informal hearings to applicants for the purpose of disputing denials of admission.

Notice of Denial [24 CFR 960.208(a)]

The ~~SHA-PHA~~ must give an applicant prompt notice of a decision denying eligibility for admission. The notice must contain a brief statement of the reasons for the ~~SHA-PHA~~ decision, and must also state that the applicant may request an informal hearing to dispute the decision. The notice must describe how to obtain the informal hearing.

When denying eligibility for admission, the PHA must provide the family a notice of VAWA rights as well as the HUD VAWA self-certification form (form HUD-5382) in accordance with the Violence against Women Reauthorization Act of 2013, and as outlined in 16-VII.C. The notice and self-certification form must accompany the written notification of the denial of eligibility determination.

Prior to notification of denial based on information obtained from criminal or sex offender registration records, the family, in some cases, must be given the opportunity to dispute the information in those records which would be the basis of the denial. See Section 3-III.G for details concerning this requirement.

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Scheduling an Informal Hearing

SHA Policy

A request for an informal hearing must be made in writing and delivered to the SHA either in person or by first class mail, by the close of the business day, no later than 10 calendar-business days from the date of the SHA's notification of denial of admission.

~~Except as provided in Section 3-III.F, the SHA~~ The SHA will schedule and send written notice of the informal hearing within 10 calendar-business days of the family's request.

Conducting an Informal Hearing [PH Occ GB, p. 58]

SHA Policy

The informal hearing will be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

The applicant will be provided an opportunity to present written or oral objections to the decision of the SHA.

The person conducting the informal hearing will make a recommendation to the SHA, but the SHA is responsible for making the final decision as to whether admission should be granted or denied.

The SHA may choose to utilize a panel of distinguished community leaders to also conduct hearings.

Informal Hearing Decision [PH Occ GB, p. 58]

SHA Policy

The SHA will notify the applicant of the SHA's final decision, including a brief statement of the reasons for the final decision.

In rendering a decision, the SHA will evaluate the following matters:

Whether or not the grounds for denial were stated factually in the notice

The validity of grounds for denial of admission. If the grounds for denial are not specified in the regulations or in SHA policy, then the decision to deny assistance will be overturned. See Chapter 3 for a detailed discussion of the grounds for applicant denial.

The validity of the evidence. The SHA will evaluate whether the facts presented prove the grounds for denial of admission. If the facts prove that there are grounds for denial, and the denial is required by HUD, the SHA will uphold the decision to deny admission.

If the facts prove the grounds for denial, and the denial is discretionary, the SHA will consider the recommendation of the person conducting the informal hearing in making the final decision whether to deny admission.

The SHA will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed, with return receipt requested, within 10 ~~calendar~~ business days of the informal hearing, to the applicant and his or her representative, if any.

If the informal hearing decision overturns the denial, processing for admission will resume.

If the family fails to appear for their informal hearing, the denial of admission will stand and the family will be so notified.

Reasonable Accommodation for Persons with Disabilities [24 CFR 966.7]

Persons with disabilities may request reasonable accommodations to participate in the informal hearing process and the ~~SHA-PHA~~ must consider such accommodations. The ~~SHA-PHA~~ must also consider reasonable accommodation requests pertaining to the reasons for denial if related to the person's disability. See Chapter 2 for more detail pertaining to reasonable accommodation requests.

PART II: INFORMAL HEARINGS WITH REGARD TO NONCITIZENS

14-II.A. HEARING AND APPEAL PROVISIONS FOR NONCITIZENS [24 CFR 5.514]

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. These special hearings are referred to in the regulations as informal hearings, but the requirements for such hearings are different from the informal hearings used to deny applicants for reasons other than immigration status.

Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated or denied while the [SHA-PHA](#) hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or the [SHA-PHA](#) informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

Notice of Denial or Termination of Assistance [24 CFR 5.514(d)]

As discussed in Chapters 3 and 13, the notice of denial or termination of assistance for noncitizens must advise the family of any of the following that apply:

- That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for proration of assistance.
- In the case of a tenant, the criteria and procedures for obtaining relief under the provisions for preservation of families [24 CFR 5.514 and 5.518].
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the family has a right to request an informal hearing with the [SHA-PHA](#) either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

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United States Citizenship and Immigration Services Appeal Process [24 CFR 5.514(e)]

When the [SHA-PHA](#) receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the [SHA-PHA](#) must notify the family of the results of the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide the [SHA-PHA](#) with a copy of the written request for appeal and proof of mailing.

SHA Policy

The SHA will notify the family in writing of the results of the USCIS secondary verification within 10 ~~calendar~~-[business](#) days of receiving the results.

The family must provide the SHA with a copy of the written request for appeal and proof of mailing within 10 ~~calendar~~-[business](#) days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to the [SHAPHA](#), of its decision. When the USCIS notifies the [SHA-PHA](#) of the decision, the [SHA-PHA](#) must notify the family of its right to request an informal hearing.

SHA Policy

The SHA will send written notice to the family of its right to request an informal hearing within 10 ~~calendar~~-[business](#) days of receiving notice of the USCIS decision regarding the family's immigration status.

Informal Hearing Procedures for Applicants [24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, an applicant family may request that the [SHA-PHA](#) provide a hearing. The request for a hearing must be made either within 30 days of receipt of the [SHA-PHA](#) notice of denial, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for applicant families are described below.

Informal Hearing Officer

The [SHA-PHA](#) must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision.

Evidence

The family must be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of the [SHA-PHA](#) pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

SHA Policy

The family will be allowed to copy any documents related to the hearing at a cost of \$.25 per page. The family must request discovery of SHA documents no later than 12:00 p.m. on the business day prior to the hearing.

The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family must also be provided the opportunity to refute evidence relied upon by the [SHAPHA](#), and to confront and cross-examine all witnesses on whose testimony or information the [SHA-PHA](#) relies.

Representation and Interpretive Services

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to ~~request~~ arrange for an interpreter. ~~The PHA to attend the hearing, at the expense of the family, or the SHA, as may be agreed upon by the two parties. If the family does not arrange for their own interpreter, the SHA is~~ obligated to provide a competent interpreter, free of charge, upon request. The family may also or instead provide oral translation services in accordance with its own interpreter, at the expense of the family LEP Plan.

Recording of the Hearing

The family is entitled to have the hearing recorded by audiotape. The [SHA-PHA](#) may, but is not required to provide a transcript of the hearing.

SHA Policy

The SHA will not provide a transcript of an audio taped informal hearing.

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Hearing Decision

The [SHA-PHA](#) must provide the family with a written notice of the final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The notice must state the basis for the decision.

Retention of Documents [24 CFR 5.514(h)]

The [SHA-PHA](#) must retain for a minimum of 5 years the following documents that may have been submitted to the [SHA-PHA](#) by the family, or provided to the [SHA-PHA](#) as part of the USCIS appeal or the [SHA-PHA](#) informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

Informal Hearing Procedures for Residents [24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, a resident family may request that the [SHA-PHA](#) provide a hearing. The request for a hearing must be made either within 30 days of receipt of the [SHA-PHA](#) notice of termination, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for resident families whose tenancy is being terminated based on immigration status is the same as for any grievance under the grievance procedures for resident families found in Part III below.

PART III: GRIEVANCE PROCEDURES FOR PUBLIC HOUSING RESIDENTS

14-III.A. REQUIREMENTS [24 CFR 966.52]

PHAs must have a grievance procedure in place through which residents of public housing are provided an opportunity to grieve any [SHA-PHA](#) action or failure to act involving the lease or [SHA-PHA](#) policies which adversely affect their rights, duties, welfare, or status. The PHA must not only meet the minimal procedural due process requirements provided under the regulations, but must also meet any additional requirements imposed by local, state or federal law.

The [SHA-PHA](#) grievance procedure must be included in, or incorporated by reference in, the lease.

SHA Policy

The SHA grievance procedure will be incorporated by reference in the tenant lease.

The [SHA-PHA](#) must provide at least 30 days notice to tenants and resident organizations setting forth proposed changes in the [SHA-PHA](#) grievance procedure, and ~~provide~~[providing](#) an opportunity to present written comments. Comments submitted must be considered by the [SHA-PHA](#) before adoption of any [changes to the](#) grievance procedure ~~changes~~ by the [SHA-PHA](#).

SHA Policy

Residents and resident organizations will have 30 calendar days from the date they are notified by the SHA of any proposed changes in the SHA grievance procedure, to submit written comments to the SHA.

The [SHA-PHA](#) must furnish a copy of the grievance procedure to each tenant and to resident organizations.

14-III.B. DEFINITIONS [24 CFR 966.53; 24 CFR 966.51(a)(2)(i)]

There are several terms used by HUD with regard to public housing grievance procedures, which take on specific meanings different from their common usage. These terms are as follows:

- **Grievance** – any dispute which a tenant may have with respect to [SHA-PHA](#) action or failure to act in accordance with the individual tenant's lease or [SHA-PHA](#) regulations which adversely affect the individual tenant's rights, duties, welfare or status
- **Complainant** – any tenant whose grievance is presented to the [SHA-PHA](#) or at the project management office
- **Due Process Determination** – a determination by HUD that law of the jurisdiction requires that the tenant must be given the opportunity for a hearing in court which provides the basic elements of due process before eviction from the dwelling unit
- **Expedited Grievance – a procedure established by the PHA for any grievance or termination that involves:**
 - Any criminal activity that threatens the health, safety, or right to peaceful enjoyment or the PHA's public housing premises by other residents or employees of the PHA; or
 - Any drug-related criminal activity on or off the premises
- **Elements of Due Process** – an eviction action or a termination of tenancy in a state or local court in which the following procedural safeguards are required:
 - Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction
 - Right of the tenant to be represented by counsel
 - Opportunity for the tenant to refute the evidence presented by the [PHASHA](#) including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have
 - A decision on the merits
- **Hearing Officer/Panel** – an impartial person or persons/panel selected by the PHA, other than the person who made or approved their accordance with HUD regulations to hear grievances and render a decision under review, or a subordinate of that person. The individual or individuals do not need legal training. with respect thereto
- **Tenant** – the adult person (or persons) (other than a live-in aide)
 - Who resides in the unit, and who executed the lease with the [PHASHA](#) as lessee of the dwelling unit, or, if no such person now resides in the unit,
 - Who resides in the unit, and who is the remaining head of household of the tenant family residing in the dwelling unit
- **Resident Organization** – includes a resident management corporation

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14-III.C. APPLICABILITY [24 CFR 966.51]

~~Grievances~~~~Potential grievances~~ could potentially address most aspects of a SHA's PHA's operation. However, there are some situations for which the grievance procedure is not applicable.

The grievance procedure is applicable only to individual tenant issues relating to the SHAPHA. It is not applicable to disputes between tenants not involving the SHAPHA. Class grievances are not subject to the grievance procedure and the grievance procedure is not to be used as a forum for initiating or negotiating policy changes of the SHAPHA.

If HUD has issued a due process determination, A SPHA may exclude from the SPHA grievance procedure any grievance concerning a termination of tenancy or eviction that involves:

- Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees of the SHA
- Any violent or drug-related criminal activity on or off such premises
- ~~Any criminal activity that resulted in felony conviction of a household member~~

In states without due process determinations, PHAs must grant opportunity for grievance hearings for all lease terminations, regardless of cause, ~~but may use expedited grievance procedures, as described in Section 14-III.E. below, to deal with the first two of the above three categories of lease terminations~~with the following exception: PHAs may use expedited grievance procedures for the excluded categories listed above. These expedited grievance procedures are described in Section 14-III.E. below.

If HUD has issued a due process determination, the SHA may evict through the state/local judicial eviction procedures. In this case, the SHA is not required to provide the opportunity for a hearing under the SHA's grievance procedure as described above.

SHA Policy

The SHA is located in a due process ~~state, state;~~ therefore SHA will not offer grievance hearings for lease terminations involving ~~excludes from the SHA grievance procedure any grievance concerning a termination of tenancy or eviction that involves:~~

- Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees of the SHA
- Any violent or drug-related criminal activity on or off such premises

See Chapter 13 for related policies on the content of termination notices.

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14-III.D. INFORMAL SETTLEMENT OF GRIEVANCE [24 CFR 966.54]

HUD regulations state that any grievance must be personally presented, either orally or in writing, to the [SHA-PHA](#) office or to the office of the [housing development project](#) in which the complainant resides so that the grievance may be discussed informally and settled without a hearing.

SHA Policy

The SHA will accept requests for an informal settlement of a grievance either orally or in writing, to the SHA office within 10 ~~calendar~~ [business](#) days of the grievable event. —Oral requests will be memorialized in writing by SHA staff at the time presented and a copy given to the requester. Within 10 ~~calendar~~ [business](#) days of receipt of the request the SHA will arrange a meeting with the tenant at a mutually agreeable time and confirm such meeting in writing to the tenant.

If a tenant fails to attend the scheduled meeting without prior notice, the SHA will reschedule the appointment only if the tenant can show good cause for failing to appear, or if it is needed as a reasonable accommodation for a person with disabilities.

Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

HUD regulations require that a summary of such discussion will be prepared within a reasonable time and one copy will be given to the tenant and one retained in the [SHA's-PHA's](#) tenant file.

The summary must specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons therefore, and will specify the procedures by which a hearing may be obtained if the complainant is not satisfied.

SHA Policy

The SHA will prepare a summary of the informal settlement within ~~10-calendar~~ [5 business](#) days; one copy to be given to the tenant and one copy to be retained in the SHA's tenant file.

For PHAs who have the option to establish an expedited grievance procedure, and who exercise this option, the informal settlement of grievances is not applicable to those grievances for which the expedited grievance procedure applies.

14-III.E. PROCEDURES TO OBTAIN A HEARING [24 CFR 966.55]

Requests for Hearing and Failure to Request [24 CFR 966.55(a), (c), and (d)]

~~All grievances must be presented in accordance with the informal procedures prescribed above as a condition prior to a grievance hearing. However, if the complainant can show good cause for failure to proceed with the informal settlement process to the hearing officer/panel, the hearing officer/panel may waive this provision [24 CFR 966.55(d)].~~

~~The complainant must submit the request in writing for a grievance hearing within a reasonable time after receipt of the summary of informal discussion [24 CFR 966.55(a)]. The request must specify the reasons for the grievance and the action or relief sought.~~

SHA Policy

~~The resident must submit a written request for a grievance hearing to the SHA within 10 calendar5 business days of the tenant's receipt of the summary of the informal settlement.~~

~~If the complainant does not request a hearing, the SHA's disposition of the grievance under the informal settlement process will become final. However, failure to request a hearing does not constitute a waiver by the complainant of the right to contest the SHA's action in disposing of the complaint in an appropriate judicial proceeding. [24 CFR 966.55(c)].~~

Eserow Deposits [24 CFR 966.55(e)]

~~Before a hearing is scheduled in any grievance involving the amount of rent that the SHA claims is due, the family must pay an escrow deposit to the SHA. When a family is required to make an escrow deposit, the amount is the amount of rent the SHA states is due and payable as of the first of the month preceding the month in which the family's act or failure to act took place. After the first deposit the family must deposit the same amount monthly until the family's complaint is resolved by decision of the hearing officer/panel.~~

~~The SHA must waive the requirement for an escrow deposit where the family has requested a financial hardship exemption from minimum rent requirements or is grieving the effect of welfare benefits reduction in calculation of family income [24 CFR 5.630(b)(3)].~~

~~Unless the SHA waives the requirement, the family's failure to make the escrow deposit will terminate the grievance procedure. A family's failure to pay the escrow deposit does not waive the family's right to contest the SHA's disposition of the grievance in any appropriate judicial proceeding.~~

SHA Policy

~~The SHA will not waive the escrow requirement for grievances involving rent amounts except where required to do so by regulation.~~

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Scheduling of Hearings [24 CFR 966.56(a)(5)(f)]

If the complainant has complied with all requirements for requesting a hearing as described above, a hearing must be scheduled by the hearing officer/panel promptly for a time and place reasonably convenient to both the complainant and the [SHAPHA](#). A written notification specifying the time, place and the procedures governing the hearing must be delivered to the complainant and the appropriate [SHA-PHA](#) official.

SHA Policy

Within 10 ~~calendar~~ business days of receiving a written request for a hearing, the hearing officer will schedule and send written notice of the hearing to both the complainant and the SHA.

The [SHA-PHA](#) may wish to permit the tenant to request to reschedule a hearing for good cause.

SHA Policy

The tenant may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, the SHA may request documentation of the “good cause” prior to rescheduling the hearing.

Expedited Grievance Procedure [24 CFR 966.52(a)(5)(g)]

The [SHA-PHA](#) may establish an expedited grievance procedure for any grievance concerning a termination of tenancy or eviction that involves:

- Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees of the [SHAPHA](#), or
- Any drug-related criminal activity on or near such premises

In such expedited grievances, the informal settlement of grievances as discussed in 14-III.D is not applicable.

The [SHA-PHA](#) may adopt special procedures concerning expedited hearings, including provisions for expedited notice or scheduling, or provisions for expedited decision on the grievance.

SHA Policy

The PHA will not offer expedited grievance procedures.

~~The SHA has opted not to establish an expedited grievance procedure for the above referenced offenses because it excludes those offenses from its grievance procedure altogether as allowed by applicable federal law (24 CFR 966.51). No grievance procedure will be offered in any such cases.~~

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14-III.F. SELECTION OF HEARING OFFICER/PANEL [24 CFR 966.53(e)(5)(b)]

The grievance hearing must be conducted by an impartial person or persons appointed by the SHAPHA, other than the person who made or approved the SHA-PHA action under review, or a subordinate of such person. The PHA must describe their policies for selection of a hearing officer in their lease.

SHA Policy

SHA grievance hearings ~~will~~ may be conducted by a single hearing officer ~~and not~~ or a panel of distinguished community leaders. Efforts will be made to assure that the person selected is not a friend, nor enemy, of the complainant and that they do not have a personal stake in the matter under dispute or will otherwise have an appearance of a lack of impartiality.

~~The SHA has designated the following to serve as hearing officers:~~

~~*Any SHA Senior Management Team Member who was not involved in making the decision being grieved, and who was not a subordinate of anyone involved in making the decision being grieved.*~~

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~~The SHA must determine the methodology for appointment of the hearing officer and it must be stated in the grievance procedure.~~

SHA Policy

~~The SHA will appoint a person who has been selected in the manner required under the grievance procedure. Efforts will be made to assure that the person selected is not a friend, nor enemy, of the complainant and that they do not have a personal stake in the matter under dispute or will otherwise have an appearance of a lack of impartiality.~~

~~The SHA must consult with resident organizations before a person is appointed as a hearing officer or hearing panel member. Comments from the resident organizations must be considered before making the appointment.~~

PHAs must describe their policies for selection of a hearing officer in their lease forms. Changes to the public housing lease are subject to a 30-day comment period (24 CFR 966.4)

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14-III.G. PROCEDURES GOVERNING THE HEARING [24 CFR 966.56]

Rights of Complainant [24 CFR 966.56(b)]

The complainant will be afforded a fair hearing. This includes:

- The opportunity to examine before the grievance hearing any [SHA-PHA](#) documents, including records and regulations that are directly relevant to the hearing. The tenant must be allowed to copy any such document at the tenant's expense. If the [SHA-PHA](#) does not make the document available for examination upon request by the complainant, the [SHA-PHA](#) may not rely on such document at the grievance hearing.

SHA Policy

The tenant will be allowed to copy any documents related to the hearing at a cost of \$.25 per page. The family must request discovery of SHA documents no later than 12:00 p.m. on the business day prior to the hearing.

- The right to be represented by counsel or other person chosen ~~to represent~~ the ~~tenant, tenant's representative~~ and to have such person make statements on the tenant's behalf.

SHA Policy

Hearings may be attended by the following applicable persons:

A SHA representative(s) and any witnesses for the SHA

The tenant and any witnesses for the tenant

The tenant's counsel or other representative

Any other person approved by the SHA as a reasonable accommodation for a person with a disability

- The right to a private hearing unless the complainant requests a public hearing.
- The right to present evidence and arguments in support of the tenant's complaint, to controvert evidence relied on by the [SHA-PHA](#) or project management, and to confront and cross-examine all witnesses upon whose testimony or information the [SHA-PHA](#) or project management relies.
- A decision based solely and exclusively upon the facts presented at the hearing.

~~Decision without Hearing [24 CFR 966.56(e)]~~

~~The hearing officer/panel may render a decision without proceeding with the hearing if the hearing officer/panel determines that the issue has been previously decided in another proceeding.~~

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Failure to Appear [24 CFR 966.56(c)]

If the complainant or the SHA-PHA fails to appear at a scheduled hearing, the hearing officer/panel may make a determination to postpone the hearing for no more than~~not to exceed~~ five business days or may make a determination that the party has waived his/her right to a hearing. Both the complainant and the SHA-PHA must be notified of the determination by the hearing officer/panel: Provided, That a determination that the complainant has waived his/her right to a hearing will not constitute a waiver of any right the complainant may have to contest the SHA's-PHA's disposition of the grievance in an appropriate judicial proceeding.

There may be times when a complainant does not appear due to unforeseen circumstances which are out of their control and are no fault of their own.

SHA Policy

If the tenant does not appear at the scheduled time of the hearing, the hearing officer will wait up to 30 minutes. If the tenant appears within 30 minutes of the scheduled time, the hearing will be held. If the tenant does not arrive within 30 minutes of the scheduled time, they will be considered to have failed to appear.

If the tenant fails to appear and was unable to reschedule the hearing in advance, the tenant must contact the SHA within 24 hours of the scheduled hearing date, excluding weekends and holidays. The hearing officer will reschedule the hearing only if the tenant can show good cause for the failure to appear, or it is needed as a reasonable accommodation for a person with disabilities.

“Good cause” is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family.

General Procedures [24 CFR 966.56(d), (e), (f), and (g)]

At the hearing, the complainant must first make a showing of an entitlement to the relief sought and thereafter the SHA-PHA must sustain the burden of justifying the SHA-PHA action or failure to act against which the complaint is directed [24 CFR 966.56(d)].

The hearing ~~is must be~~ conducted informally by the hearing officer/panel. The SHA-PHA and the tenant must be given the opportunity to present oral or documentary evidence pertinent to the facts and issues raised by the complaint, and to question any witnesses. ~~and question any witnesses. In general, all evidence is admissible and may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings [24 CFR 966.56(f)].~~

SHA Policy

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

Oral evidence: the testimony of witnesses

Documentary evidence: a writing which is relevant to the case, for example, a letter written to the SHA. Writings include all forms of recorded communication or representation, including letters, emails, words, pictures, sounds, videotapes or symbols or combinations thereof.

Demonstrative evidence: Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.

Real evidence: A tangible item relating directly to the case.

Hearsay Evidence is evidence of a statement that was made other than by a witness while testifying at the hearing and that is offered to prove the truth of the matter. Even though evidence, including hearsay, is generally admissible, hearsay evidence alone cannot be used as the sole basis for the hearing officer's decision.

If the SHA fails to comply with the discovery requirements (providing the tenant with the opportunity to examine SHA documents prior to the grievance hearing), the hearing officer will refuse to admit such evidence.

Other than the failure of the SHA to comply with discovery requirements, the hearing officer has the authority to overrule any objections to evidence.

~~The hearing officer/panel must require the SHA, the complainant, counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the hearing officer/panel to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate [24 CFR 966.56(f)].~~

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The complainant or the SHA may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript [24 CFR 966.56(e)].

SHA Policy

If the complainant would like the SHA to record the proceedings by audiotape, the request must be made to the SHA by 12:00 p.m. on the business day prior to the hearing.

The SHA will consider that an audio tape recording of the proceedings is a transcript.

Accommodations of Persons with Disabilities [24 CFR 966.56(f)]

The SHA-PHA must provide reasonable accommodation for persons with disabilities to participate in the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.

If the tenant is visually impaired, any notice to the tenant which is required in the grievance process must be in an accessible format.

See Chapter 2 for a thorough discussion of the SHA's-PHA's responsibilities pertaining to reasonable accommodation.

Limited English Proficiency (24 CFR 966.56(g))

The PHA must comply with HUD's LEP Final Rule in providing language services throughout the grievance process.

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14-III.H. DECISION OF THE HEARING OFFICER/PANEL [24 CFR 966.57]

The hearing officer/panel must issue a written decision, stating the reasons for the decision, within a reasonable time after the hearing. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing. A copy of the decision must be sent to the ~~complainant~~tenant and the ~~SHAPHA~~. The ~~SHA-PHA~~ must retain a copy of the decision in the tenant's folder. A ~~log~~copy of ~~the decision, with all hearing officer decisions names and identifying references deleted,~~ must also be maintained ~~on file~~ by the ~~SHA-PHA~~ and made available for inspection by a prospective complainant, his/her representative, or the hearing officer/panel [24 CFR 966.57(a)].

SHA Policy

In rendering a decision, the hearing officer will consider the following matters:

SHA Notice to the Family: The hearing officer will determine if the reasons for the SHA's decision are factually stated in the notice.

Discovery: The hearing officer will determine if the family was given the opportunity to examine any relevant documents in accordance with SHA policy.

SHA Evidence to Support the SHA Decision: The evidence consists of the facts presented. Evidence is not conclusion and it is not argument. The hearing officer will evaluate the facts to determine if they support the SHA's conclusion.

Validity of Grounds for Termination of Tenancy (when applicable): The hearing officer will determine if the termination of tenancy is for one of the grounds specified in the HUD regulations and SHA policies. If the grounds for termination are not specified in the regulations or in compliance with SHA policies, then the decision of the SHA will be overturned.

The hearing officer will issue a written decision to the family and the SHA no later than 10 business days after the hearing. The report will contain the following information:

Hearing information:

Name of the complainant

Date, time and place of the hearing

Name of the hearing officer

Name of the SHA representative(s)

Name of family representative (if any)

Names of witnesses (if any)

Background: A brief, impartial statement of the reason for the hearing and the date(s) on which the informal settlement was held, who held it, and a summary of the results of the informal settlement. Also includes the date the complainant requested the grievance hearing.

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Summary of the Evidence: The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of his/her testimony and that are admitted into evidence.

Findings of Fact: The hearing officer will include all findings of fact, based on a preponderance of the evidence. *Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Conclusions: The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence. The conclusion will result in a determination of whether these facts uphold the SHA's decision.

Order: The hearing report will include a statement of whether the SHA's decision is upheld or overturned. If it is overturned, the hearing officer will instruct the SHA to change the decision in accordance with the hearing officer's determination. In the case of termination of tenancy, the hearing officer will instruct the SHA to restore the family's status.

Procedures for Further Hearing

SHA Policy

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of the SHA will take effect and another hearing will not be granted.

Final Decision [24 CFR 966.57(b)]

The decision of the hearing officer/panel is binding on the [SHA-PHA](#) which must take the action, or refrain from taking the action cited in the decision unless the [SHA-PHA](#) Board of Commissioners determines within a reasonable time, and notifies the complainant that:

- The grievance does not concern [SHA-PHA](#) action or failure to act in accordance with or involving the complainant's lease on [SHA-PHA](#) policies which adversely affect the complainant's rights, duties, welfare, or status; or
- The decision of the hearing officer/panel is contrary to Federal, state, or local law, HUD regulations or requirements of the annual contributions contract between HUD and the SHA

SHA Policy

When the SHA considers the decision of the hearing officer to be invalid due to the reasons stated above, it will present the matter to the SHA Board of Commissioners within 10 calendar days of the date of the hearing officer's decision. The Board has 30 calendar days to consider the decision. If the Board decides to reverse the hearing officer's decision, it must notify the complainant within 10 [calendar-business](#) days of this decision.

A decision by the hearing officer/panel, or Board of Commissioners in favor of the [SHA-PHA](#) or which denies the relief requested by the complainant in whole or in part must not constitute a waiver of any rights, [nor effect in any manner whatever, any rights](#) the complainant may have to a subsequent trial or judicial review in court [24 CFR 966.57(c)].

Chapter 15

PROGRAM INTEGRITY

INTRODUCTION

The PHA is committed to ensuring that funds made available to the PHA are spent in accordance with HUD requirements.

This chapter covers HUD and PHA policies designed to prevent, detect, investigate and resolve instances of program abuse or fraud. It also describes the actions that will be taken in the case of unintentional errors and omissions.

Part I: Preventing, Detecting, and Investigating Errors and Program Abuse. This part presents PHA policies related to preventing, detecting, and investigating errors and program abuse.

Part II: Corrective Measures and Penalties. This part describes the corrective measures the PHA must and may take when errors or program abuses are found.

PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE

15-I.A. PREVENTING ERRORS AND PROGRAM ABUSE

HUD created the Enterprise Income Verification (EIV) system to provide PHAs with a powerful tool for preventing errors and program abuse. PHAs are required to use the EIV system in its entirety in accordance with HUD administrative guidance [24 CFR 5.233]. PHAs are further required to:

- Provide applicants and residents with form HUD-52675, “Debts Owed to PHAs and Terminations”
- Require all adult members of an applicant or participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file

PHA-SHA Policy

The PHA-SHA anticipates that the vast majority of families and PHA-SHA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors.

To ensure that the PHA’s-SHA’s program is administered effectively and according to the highest ethical and legal standards, the PHA-SHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.

The PHA-SHA will provide each applicant and resident with a copy of “Is Fraud Worth It?” (form the publication *Things You Should Know* (HUD-1141-1140-OIG), which ~~that~~ explains the types of actions a family must avoid and the penalties for program abuse.

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The SHA will provide each applicant and resident with a copy of “What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19. In addition, the PHA will require the head of each household to acknowledge receipt of the guide by signing a copy for retention in the family file.

The PHA-SHA will require mandatory orientation sessions for all prospective residents either prior to or upon execution of the lease. The PHA-SHA will discuss program compliance and integrity issues. At the conclusion of all program orientation sessions, the family representative will be required to sign a program briefing certificate to confirm that all rules and pertinent regulations were explained to them.

The PHA-SHA will routinely provide resident counseling as part of every reexamination interview in order to clarify any confusion pertaining to program rules and requirements.

PHA-SHA staff will be required to review and explain the contents of all HUD- and PHA-required forms prior to requesting family member signatures.

The PHA-SHA will place a warning statement about the penalties for fraud (as described in 18the False Statement Act, U.S.C. 1001 and 1010) on key PHA forms and form letters that request information from a family member.

The PHA-SHA will provide each PHA-SHA employee with the necessary training on program rules and the organization's standards of conduct and ethics.

At every regular reexamination the SHA staff will explain any changes in HUD regulations or SHA policy that affect residents.

For purposes of this chapter the term *error* refers to an unintentional error or omission. *Program abuse or fraud* refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

15-I.B. DETECTING ERRORS AND PROGRAM ABUSE

In addition to taking steps to prevent errors and program abuse, the PHA will use a variety of activities to detect errors and program abuse.

Quality Control and Analysis of Data

PHA-SHA Policy

The PHA-SHA will employ a variety of methods to detect errors and program abuse, including:

The PHA-SHA routinely will use ~~EIV and other non-HUD available~~ sources of up-front income verification. ~~This includes the Work Number and any other private or public databases available to the PHA compare with family provided information.~~

At each annual reexamination, current information provided by the family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.

The PHA will compare family-reported income and expenditures to detect possible unreported income.

Independent Audits and HUD Monitoring

~~Notice PIH 2015-16 OMB Circular A-133~~ requires all PHAs that expend ~~\$750,000~~ \$500,000 or more in federal awards annually to have an independent audit (IPA). In addition, HUD conducts periodic on-site and automated monitoring of PHA activities and notifies the PHA of errors and potential cases of program abuse.

PHA-SHA Policy

The PHA-SHA will use the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the PHA's SHA's error detection and abuse prevention efforts.

Individual Reporting of Possible Errors and Program Abuse

PHA-SHA Policy

The PHA-SHA will encourage staff, residents, and the public to report possible program abuse.

15-I.C. INVESTIGATING ERRORS AND PROGRAM ABUSE

When the PHA Will Investigate

PHA-SHA Policy

The PHA-SHA will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for the PHA-SHA to investigate, the allegation must contain at least one independently-verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

The PHA-SHA will investigate when inconsistent or contradictory information ~~related to the family that is~~ detected/identified through file reviews and the verification process.

Consent to Release of Information [24 CFR 960.259]

The PHA may investigate possible instances of error or abuse using all available PHA and public records. If necessary, the PHA will require ~~applicant/resident~~ families to sign/give consent forms ~~for~~ the release of additional information.

Analysis and Findings

PHA-SHA Policy

The PHA-SHA will base its evaluation on a preponderance of the evidence collected during its investigation.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

For each investigation the PHA-SHA will determine (1) whether an error or program abuse has occurred, (2) whether any amount of money is owed the PHASHA, and (3) what corrective measures or penalties will be assessed.

Consideration of Remedies

All errors and instances of program abuse must be corrected prospectively. Whether the PHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

PHA-SHA Policy

In the case of family-caused errors or program abuse, the PHA-SHA will take into consideration (1) the seriousness of the offense and the extent of participation or culpability of individual family members, (2) any special circumstances surrounding the case, (3) any mitigating circumstances related to the disability of a family member, (4) the effects of a particular remedy on family members who were not involved in the offense.

Notice and Appeals

PHA-SHA Policy

The PHA-SHA will inform the relevant party in writing of its findings and remedies within 10 business days of the conclusion of the investigation. The notice will include (1) a description of the error or program abuse, (2) the basis on which the PHA determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through an informal hearing or grievance hearing (see Chapter 14).

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PART II: CORRECTIVE MEASURES AND PENALTIES

15-II.A. UNDER- OR OVERPAYMENT

An under- or overpayment includes an incorrect tenant rent payment by the family, or an incorrect utility reimbursement to a family.

Corrections

Whether the incorrect rental determination is an overpayment or underpayment, the PHA must promptly correct the tenant rent and any utility reimbursement prospectively.

PHA-SHA Policy

Increases in the tenant rent will be implemented ~~on only after~~ the first of the month following a written family has received 30 ~~daydays~~ notice.

Any decreases in tenant rent will become effective the first of the month following the discovery of the error.

~~The SHA will reimburse a family for any family overpayment of rent, regardless of whether the overpayment was the result of staff caused error or staff program abuse. This reimbursement shall be applied to the resident's account and, in the event the reimbursement results in a credit balance, a checks hall be issued to the resident for the credit balance.~~

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Reimbursement

Whether the family is required to reimburse the PHA or the PHA is required to reimburse the family depends upon which party is responsible for the incorrect payment and whether the action taken was an error or program abuse. Policies regarding reimbursement are discussed in the three sections that follow.

15-II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE

General administrative requirements for participating in the program are discussed throughout the ACOP. This section deals specifically with errors and program abuse by family members.

An incorrect rent determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows the PHA to use incorrect information provided by a third party.

Family Reimbursement to PHA

[PHA-SHA Policy](#)

In the case of family-caused errors or program abuse, the family will be required to repay any amounts of rent underpaid. The [PHA-SHA](#) may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the amount owed, the [PHA-SHA](#) will terminate the family's lease in accordance with the policies in Chapter 13.

PHA Reimbursement to Family

[PHA-SHA Policy](#)

The [PHA-SHA](#) will not reimburse the family for any overpayment of rent when the overpayment clearly is caused by the family.

Prohibited Actions

An applicant or resident in the public housing program must not knowingly:

- Make a false statement to the PHA [Title 18 U.S.C. Section 1001].
- Provide incomplete or false information to the PHA [24 CFR 960.259(a)(4)].
- Commit fraud, or make false statements in connection with an application for assistance or with reexamination of income [24 CFR 966.4(l)(2)(iii)(C)].

PHA-SHA Policy

Any of the following will be considered evidence of family program abuse:

Offering bribes or illegal gratuities to the PHA-SHA Board of Commissioners, employees, contractors, or other PHA-SHA representatives

Offering payments or other incentives to a third party as an inducement for the third party to make false or misleading statements to the PHA-SHA on the family's behalf

Use of a false name or the use of falsified, forged, or altered documents

Intentional misreporting of family information or circumstances (e.g., misreporting of income or family composition)

Omitted facts that were obviously known by a family member (e.g., not reporting employment income)

Admission of program abuse by an adult family member

The PHA may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

Penalties for Program Abuse

In the case of program abuse caused by a family the PHA may, at its discretion, impose any of the following remedies.

- The PHA may require the family to repay any amounts owed to the program (see 15-II.B., Family Reimbursement to PHA).
- The PHA may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit. See policies in Chapter 3 (for applicants) and Chapter 13 (for residents).
- The PHA may deny admission or terminate the family's lease following the policies set forth in Chapter 3 and Chapter 13 respectively.
- The PHA may refer the family for state or federal criminal prosecution as described in section 15-II.D.

15-II.C. PHA-CAUSED ERRORS OR PROGRAM ABUSE

The responsibilities and expectations of PHA staff with respect to normal program administration are discussed throughout the ACOP. This section specifically addresses actions of a PHA staff member that are considered errors or program abuse related to the public housing program. Additional standards of conduct may be provided in the PHA personnel policy.

PHA-caused incorrect rental determinations include (1) failing to correctly apply public housing rules regarding family composition, income, assets, and expenses, and (2) errors in calculation.

Repayment to the PHA

The family is not required to repay an underpayment of rent if the error or program abuse is caused by PHA staff.

PHA Reimbursement to Family

[PHA-SHA Policy](#)

The [PHA-SHA](#) will reimburse a family for any family overpayment of rent, regardless of whether the overpayment was the result of staff-caused error or staff program abuse.

Prohibited Activities

[PHA-SHA Policy](#)

Any of the following will be considered evidence of program abuse by [PHA-SHA](#) staff:

- Failing to comply with any public housing program requirements for personal gain

- Failing to comply with any public housing program requirements as a result of a conflict of interest relationship with any applicant or resident

- Seeking or accepting anything of material value from applicants, residents, vendors, contractors, or other persons who provide services or materials to the [PHASHA](#)

- Disclosing confidential or proprietary information to outside parties

- Gaining profit as a result of insider knowledge of [PHA-SHA](#) activities, policies, or practices

- Misappropriating or misusing public housing funds

- Destroying, concealing, removing, or inappropriately using any records related to the public housing program

- Committing any other corrupt or criminal act in connection with any federal housing program

15-II.D. CRIMINAL PROSECUTION

PHA-SHA Policy

When the PHA-SHA determines that program abuse by a family or PHA-SHA staff member has occurred and the amount of underpaid rent meets or exceeds the threshold for prosecution under local or state law, the PHA-SHA will refer the matter to the appropriate entity for prosecution. When the amount of underpaid rent meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the public housing program will be referred to the appropriate local, state, or federal entity.

15-II.E. FRAUD AND PROGRAM ABUSE RECOVERIES

PHAs who enter into a repayment agreement with a family to collect rent owed, initiate litigation against the family to recover rent owed, or begin eviction proceedings against a family may retain 100 percent of program funds that the PHA recovers [Notice PIH ~~2007-27~~~~2005-7~~ (HA)].

~~The threshold to initiate a repayment agreement shall be \$2500.~~

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If the PHA does none of the above, all amounts that constitute an underpayment of rent must be returned to HUD.

The family must be afforded the opportunity for a hearing through the PHA's grievance process.

Chapter 16

PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices that are relevant to the activities covered in this ACOP. The policies are discussed in seven parts as described below:

Part I: Setting Utility Allowances. This part describes how utility allowances are established and revised. Also discussed are the requirements to establish surcharges for excess consumption of [SHAPHA](#)-furnished utilities.

Part II: Establishing Flat Rents and Public Housing Maximum Rents. This part describes the requirements and policies related to establishing and updating flat rent amounts ~~and public housing maximum rents.~~

Part III: Repayment of Family Debts. This part contains policies for recovery of monies that have been underpaid by families, and describes the circumstances under which the [SHA-PHA](#) will offer repayment agreements to families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part IV: Public Housing Assessment System (PHAS). This part describes the PHAS indicators, how PHAs are scored under PHAS, and how those scores affect a [SHAPHA](#).

Part V: Record -Keeping. All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies the [SHA-PHA](#) will follow.

Part VI: Reporting and Record Keeping for Children with Environmental Intervention Blood Lead Level. This part describes the [SHA's-PHA's](#) reporting responsibilities related to children with environmental intervention blood lead levels that are living in public housing.

Part VII: ~~Notification to Applicants and Tenants regarding Protections under the Violence against Women Reauthorization Act of 2005 (VAWA): Notification, Documentation, and Confidentiality.~~ This part ~~contains key terms used in~~ includes policies for notifying applicants and tenants of VAWA and describes requirements related to notifying families about their rights and responsibilities under VAWA; requesting documentation from victims of domestic violence, dating violence, sexual assault, and stalking; and maintaining the confidentiality of information obtained from victims.

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PART I: SETTING UTILITY ALLOWANCES [24 CFR 965 Subpart E]

16-I.A. OVERVIEW

[SHA-PHAs](#) must establish allowances for [SHAPHA](#)-furnished utilities for all check metered utilities and for resident-purchased utilities for all utilities purchased directly by residents from a utility supplier [24 CFR 965.502(a)].

[SHAs-PHAs](#) must also establish surcharges for excess consumption of [SHAPHA](#)-furnished utilities [24 CFR 965.506].

The [SHA-PHA](#) must maintain a record that documents the basis on which utility allowances and scheduled surcharges are established and revised, and the record must be made available for inspection by residents [24 CFR 965.502(b)].

16-I.B UTILITY ALLOWANCES

The [SHA-PHA](#) must establish separate allowances for each utility and for each category of dwelling units the [SHA-PHA](#) determines to be reasonably comparable as to factors affecting utility usage [24 CFR 965.503].

The objective of a [SHA-PHA](#) in establishing utility allowances for each dwelling unit category and unit size is to approximate a reasonable consumption of utilities by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment [24 CFR 965.505].

Utilities include gas, electricity, fuel for heating, water, sewerage, and solid waste disposal for a dwelling unit. In addition, if the [SHA-PHA](#) does not furnish a range and refrigerator, the family must be granted a utility allowance for the range and refrigerator they provide [24 CFR 965.505].

Costs for telephone, cable/satellite TV, and internet services are not considered utilities [PH Occ GB, p. 138].

Utility allowance amounts will vary by the rates in effect, size and type of unit, climatic location and siting of the unit, type of construction, energy efficiency of the dwelling unit, and other factors related to the physical condition of the unit. Utility allowance amounts will also vary by residential demographic characteristics affecting home energy usage [PH Occ GB, p. 138].

Chapter 14 of the *PH Occupancy Guidebook* provides detailed guidance to the [SHA-PHA](#) about establishing utility allowances.

Air-Conditioning

“If a SHA-PHA installs air conditioning, it shall provide, to the maximum extent economically feasible, systems that give residents the option of choosing to use air conditioning in their units. The design of systems that offer each resident the option to choose air conditioning shall include retail meters or check meters, and residents shall pay for the energy used in its operation. For systems that offer residents the option to choose air conditioning but cannot be check metered, residents are to be surcharged in accordance with 965.506. If an air conditioning system does not provide for resident option, residents are not to be charged, and these systems should be avoided whenever possible.” [24 CFR 965.505(e)]~~†~~

SHA Policy

The SHA has installed air-conditioning. ~~A surcharge shall be utilized for units which are not check metered in accordance with 24 CFR 965.505(e).~~

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Utility Allowance Revisions [24 CFR 965.507]

The SHA-PHA must review at least annually the basis on which utility allowances have been established and must revise the allowances if necessary in order to adhere to the standards for establishing utility allowances that are contained in 24 CFR 965.505.

The SHA-PHA may revise its allowances for resident-purchased utilities between annual reviews if there is a rate change, and is required to do so if such change, by itself or together with prior rate changes not adjusted for, results in a change of 10 percent or more from the rate on which the allowance was based.

Adjustments to resident payments as a result of such changes must be retroactive to the first day of the month following the month in which the last rate change taken into account became effective.

SHA Policy

~~SHA will review annually the basis on which utility allowances are established based on the 5 year energy/utilities study.~~ Between annual reviews of utility allowances, the SHA will only revise its utility allowances due to a rate change, when required to by the regulation.

~~All utilities will be in the name of SHA and managed as such. Utilities will be apportioned to tenants in accordance with the utility allowances based on the 5 year energy study.~~

16-I.C. SURCHARGES FOR [SHAPHA](#)-FURNISHED UTILITIES [24 CFR 965.506]

For dwelling units subject to allowances for [SHAPHA](#)-furnished utilities where check meters have been installed, the [SHAPHA](#) must establish surcharges for utility consumption in excess of the allowances. Surcharges may be computed on a straight per unit of purchase basis or for stated blocks of excess consumption, and must be based on the [SHAPHA](#)'s average utility rate. The basis for calculating the surcharges must be described in the [SHAPHA](#)'s schedule of allowances. Changes in the amount of surcharges based directly on changes in the [SHAPHA](#)'s average utility rate are not subject to the advance notice requirements discussed under 16-I.D.

For dwelling units served by [SHAPHA](#)-furnished utilities where check meters have not been installed, the [SHAPHA](#) must establish schedules of surcharges indicating additional dollar amounts residents will be required to pay by reason of estimated utility consumption attributable to resident-owned major appliances or to optional functions of [SHAPHA](#)-furnished equipment. The surcharge schedule must state the resident-owned equipment (or functions of [SHAPHA](#)-furnished equipment) for which surcharges will be made and the amounts of such charges. Surcharges must be based on the cost to the [SHAPHA](#) of the utility consumption estimated to be attributable to reasonable usage of such equipment.

SHA Policy

The SHA does have SHA-furnished utilities.

16-I.D. NOTICE REQUIREMENTS [965.502]

The [SHA-PHA](#) must give notice to all residents of proposed allowances and scheduled surcharges, and revisions thereof. The notice must be given in the manner provided in the lease and must:

- Be provided at least 60 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.
- Describe the basis for determination of the allowances, scheduled surcharges, or revisions, including a statement of the specific items of equipment and function whose utility consumption requirements were included in determining the amounts of the allowances and schedule of surcharges.
- Notify residents of the place where the [SHA's-PHA's](#) documentation on which allowances and surcharges are based is available for inspection.
- Provide all residents an opportunity to submit written comments during a period expiring not less than 30 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.

16-I.E. REASONABLE ACCOMMODATION [24 CFR 965.508]

On request from a family that includes a disabled or elderly person, the [SHA-PHA](#) must approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family [PH Occ GB, p. 172].

Likewise, residents with disabilities 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 [PH Occ GB, p. 172].

See Chapter 2 for policies regarding the request and approval of reasonable accommodations.

PART II: ESTABLISHING FLAT RENTS AND PUBLIC HOUSING MAXIMUM RENTS

16-II.A. OVERVIEW

Flat rents are designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.

~~Flat~~~~Public housing maximum~~ rents are also used~~needed~~ to prorate assistance for a mixed family. A mixed family is one whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigrations status [24 CFR 5.504].

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This part discusses how the SHA-PHA establishes and updates flat rents, ~~and public housing maximum rents~~. Policies related to the use of flat rents, family choice of rent, flat rent hardships, and proration of rent for a mixed family~~public housing maximum rents~~ are discussed in Chapter 6.

16-II.B. FLAT RENTS [24 CFR 960.253(b) and Notice PIH 2015-13]

Establishing Flat Rents

The 2015 Appropriations Act requires that flat rents must be set at no less than 80 percent of the applicable fair market rent (FMR). Alternatively, the PHA may set flat rents at no less than 80 percent of the applicable small area FMR(SAFMR) for metropolitan areas, or 80 percent of the applicable unadjusted rents for nonmetropolitan areas.

For areas where HUD has not determined a SAFMR or an unadjusted rent, PHAs must set flat rents at no less than 80 percent of the FMR or apply for an exception flat rent.

The 2015 Appropriations Act permits PHAs to request an exception flat rent that is lower than either 80 percent of the FMR or SAFMR/unadjusted rent if the PHA can demonstrate that these FMRs do not reflect the market value of a particular property or unit.

In order to demonstrate the need for an exception flat rent, PHAs are required to submit a market analysis methodology that demonstrates the value of the unit. The PHA must use HUD's rent reasonableness methodology to determine flat rents. In determining flat rents, the PHAs must consider the following:

~~Flat rents for public housing units are based on the market rent charged for comparable units in the private unassisted rental market. The flat rent should be equal to the estimated rent for which the SHA could promptly lease the public housing unit after preparation for occupancy.~~

~~The SHA must use a reasonable method to determine flat rents. In determining flat rents, PHAs must consider the following:~~

- Location
- Quality
- Unit size
- Unit type
- Age of property

- Amenities at the property and in immediate neighborhood
- Housing services provided
- Maintenance provided by the [SHAPHA](#)
- Utilities provided by the [SHAPHA](#)

PHAs must describe their policies for selection of a hearing officer in their lease forms. Changes to the public housing lease are subject to a 30-day comment period (24 CFR 966.4)

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Review of Flat Rents

The SHA must ensure that flat rents continue to mirror market rent values [24 CFR 960.253(b)].

SHA Policy

The SHA will review flat rents on an annual basis, and adjust them as necessary to ensure that flat rents continue to mirror market rent values.

No later than 90 days after HUD publishes new annual FMRs/SAFMRs/unadjusted rent, PHAs must revise flat rents as necessary based changes to the FMR/SAFMR/unadjusted rent. The PHA must offer changes to the flat rent to all new admissions and to existing families at the next annual rent option.

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If the FMR falls from year to year, the PHA may, but is not required to, lower the flat rent to 80 percent of the current FMR/SAFMR/unadjusted rent.

SHA Policy

If the FMR/SAFMR/unadjusted rent is lower than the previous year, the SHA will reduce flat rents to 80 percent of the current FMR/SAFMR.

Posting of Flat Rents

SHA Policy

The SHA will publicly post the schedule of flat rents in a conspicuous manner in the applicable SHA or project office.

Documentation of Flat Rents [24 CFR 960.253(b)(5)]

The SHA-PHA must maintain records that document the method used to determine flat rents, and that show how flat rents were determined by the SHA-PHA in accordance with this method.

16 II.C. PUBLIC HOUSING MAXIMUM RENTS

Establishing Public Housing Maximum Rents

PHAs are prohibited from making financial assistance available to persons who are not citizens or nationals of the United States, and to those who do not have eligible immigration status [24 CFR 5.500]. Therefore, in order to assist mixed families, PHAs must prorate assistance. Public housing maximum rents are needed in order to calculate the tenant rent for a mixed family.

The public housing maximum rent is based on value of the 95th percentile of the total tenant payment (TTP) for each tenant within the SHA. PHAs may calculate a maximum rent on either a SHA or project wide basis. A separate maximum rent can be provided for each separate project or projects may be combined into logical groups, if appropriate. HUD recommends that a single project basis be avoided for a project unless at least 50 dwelling units are involved.

PHAs may use the “direct comparison” or the “unit distribution” method for establishing the public housing maximum rents for each unit size. Appendix H, of Guidebook 7465.G, Restrictions on Assistance to Noncitizens provides detailed guidance on how to establish public housing maximum rents using the methodologies identified above.

Review of Public Housing Maximum Rents

SHA Policy

The SHA will recalculate the public housing maximum rents on an annual basis.

Posting of Public Housing Maximum Rents

SHA Policy

The SHA will publicly post the schedule of public housing maximum rents in a conspicuous manner in the applicable SHA or project office.

Documentation of Public Housing Maximum Rents

SHA Policy

The SHA will maintain records that document how the SHA determined the 95th percentile of TTP, whether the maximum rent was determined SHA wide, project wide, or with groupings of projects, and the methodology used to determine maximum rents for each unit size.

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PART III: FAMILY DEBTS TO THE SHAPHA

16-III.A. OVERVIEW

This part describes the SHA's-PHA's policies for recovery of monies owed to the PHA ~~that have been underpaid~~ by families.

SHA Policy

When an action or inaction of a resident family results in the underpayment of rent or other amounts, the SHA holds the family liable to return any underpayments to the SHA.

The SHA will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments. The term *repayment agreement* refers to a formal document signed by a tenant and provided to the SHA in which a tenant acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

When a family refuses to repay monies owed to the SHA, the SHA will utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies

- Small claims court

- Civil law suit

- State income tax set-off program

16-III.B. REPAYMENT POLICY

Family Debts to the [SHAPHA](#)

SHA Policy

Any amount ~~owed due~~ to the SHA by a public housing family must be repaid. If the family is unable to repay the debt within 30 days, the SHA will offer to enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the SHA will terminate the family's tenancy in accordance with the policies in Chapter 13. The SHA will also pursue other modes of collection.

General Repayment Agreement Guidelines

Down Payment Requirement

SHA Policy

~~Before executing~~ Prior to the execution of a repayment agreement with a family, the SHA will generally require a down payment of ~~must pay~~ 10 percent of the total amount balance owed. If the family can provide evidence satisfactory to the SHA that a down payment of 10 percent would impose an undue hardship, the SHA may, in its sole discretion, require a lesser percentage or waive the requirement.

Payment Thresholds

Notice PIH 2010-19 recommends that the total amount that a family must pay each month—the family's monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family's monthly adjusted income, which is considered "affordable." Moreover, Notice PIH 2010-19 acknowledges that PHAs have the discretion to establish "thresholds and policies" for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

SHA Policy

If a family is paying less than 40 percent of its monthly adjusted income (MAI) in rent, the minimum monthly payment amount will be the greater of the following two amounts:

The difference between 40 percent of the family's MAI and the TTP at the time the agreement is executed

\$25

If a family can provide evidence satisfactory to the SHA that a monthly payment amount of \$25 would impose an undue hardship, the SHA may, in its sole discretion, require a lower monthly payment amount.

If the family's income increases or decreases during the term of a repayment agreement, either the SHA or the family may request that the monthly payment amount be adjusted accordingly.

SHA Policy

SHA will not enter into a payment agreement with a family for any amount over \$2500

Amounts above \$2,500 will be referred to the Office of Inspector General for criminal prosecution.

Amounts between \$1,000 and \$2,500 must be repaid within 18 months.

Amounts between \$501 and \$1,000 must be repaid within 10 months.

Amounts from \$1 and \$500 must be repaid within 12 months.

Execution of the Agreement

SHA Policy

Any repayment agreement between the SHA and a family must be signed and dated by the SHA and by the head of household and spouse/cohead (if applicable). ~~the repayment agreement.~~

Due Dates

SHA Policy

All payments are due by the close of business on the 15th day of the month. If the 15th does not fall on a business day, the due date is the close of business on the first business day after the 15th.

Late or Missed Payments

Non-Payment

SHA Policy

If a payment is not received by the end of the business day on the date due, and prior approval for the missed payment has not been given by the SHA, the SHA will send the family a delinquency notice giving the family 10 business days to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and the SHA will terminate tenancy in accordance with the policies in Chapter 13.

If a family receives three delinquency notices for unexcused late payments in a 12-month period, the repayment agreement will be considered in default, and the SHA will terminate tenancy in accordance with the policies in Chapter 13.

No Offer of Repayment Agreement

SHA Policy

The PHA generally ~~SHA~~ will not enter into a repayment agreement ~~with a family~~ if there is already a repayment agreement in place with the family, or ~~if the amount~~ ~~amounts~~ owed by the family ~~exceeds~~ ~~exceed~~ the ~~federal~~ ~~Federal~~ or ~~state~~ ~~State~~ threshold for criminal prosecution.

Repayment Agreements Involving Improper Payments

Notice PIH 2010-19 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the public housing lease that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act.
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the PHA the monthly tenant rent
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of tenancy

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PART IV: PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)

16-IV.A. OVERVIEW

The purpose of the Public Housing Assessment System (PHAS) is to improve the delivery of services in public housing and enhance trust in the public housing system among PHAs, public housing residents, HUD and the general public by providing a management tool for effectively and fairly measuring the performance of a public housing agency in essential housing operations.

16-IV.B. PHAS INDICATORS [24 CFR 902 Subparts A, B, C, D, and E]

The table below lists each of the PHAS indicators, the points possible under each indicator, and a brief description of each indicator. A PHA's performance is based on a combination of all four indicators.

Indicator 1: Physical condition of the ~~PHA's projects~~ ~~SHA's properties~~

Maximum Score: ~~40~~30

- The objective of this indicator is to determine the level to which a ~~SHA-PHA~~ is maintaining its public housing in accordance with the standard of decent, safe, sanitary, and in good repair.
- To determine the physical condition of ~~a PHA's projects~~ ~~SHA's properties~~, inspections are performed of the following five major areas of ~~each~~ public housing ~~project~~: site, building exterior, building systems, dwelling units, and common areas. The inspections are performed by an independent inspector arranged by HUD, and include a statistically valid sample of the units in ~~each project in the~~ ~~SHA's PHA's~~ public housing portfolio.

Indicator 2: Financial condition of ~~the PHA's projects~~ ~~a SHA~~

Maximum Score: ~~25~~30

- The objective of this indicator is to measure the financial condition of ~~the PHA's public housing projects~~ ~~a SHA~~ for the purpose of evaluating whether ~~the PHA~~ has sufficient financial resources and is capable of managing those financial resources effectively to support the provision of housing that is decent, safe, sanitary, and in good repair.
- ~~A SPHA's~~ financial condition is determined by measuring ~~each public housing project's~~ ~~the SHA's entity wide~~ performance in each of the following ~~subindicators~~: ~~quick components: current ratio, number of months expendable net assets ratio fund balance, tenant receivable outstanding, occupancy loss, expense management/utility consumption, and debt service coverage ratio net income or loss divided by the expendable fund balance.~~

Indicator 3: Management operations of the PHA's projects a SHA

Maximum Score: 2530

- The objective of this indicator is to measure certain key management operations and responsibilities of a PHA's projects SHA for the purpose of assessing the PSHA's management operations capabilities.
- Each project's SHA's management operations are assessed based on the following sub-indicators: occupancy, tenant accounts receivable, vacant unit turnaround time, capital fund, work orders, SHA annual inspection of units and accounts payable.
- An on-site management review may be conducted as a diagnostics systems, security, and feedback tool for problem performance areas, and for compliance. Management reviews are not scored economic self sufficiency.

Indicator 4: Capital Fund Resident service and satisfaction

Maximum Score: 10

- The objective of this indicator is to measure how long it takes the PHA to obligate capital funds and to occupy units, level of resident satisfaction with living conditions at the SHA.
- The SHA's PHA's score for this indicator is measured at the PHA level and is based on the following subindicators: timeliness of fund obligation and occupancy rate, results of resident surveys and the level of implementation and follow-up or corrective actions the SHA takes based on the results of the survey.

16-IV.C. PHAS SCORING [24 CFR 902 Subpart F.63 and 902.67]

HUD's Real Estate Assessment Center (REAC) issues overall PHAS scores, which are based on the scores of the four PHAS indicators, and the subindicators ~~components~~ under each indicator. The PHA's indicator scores are based on a weighted average of the PHA's public housing projects' scores. PHAS scores translate into a designation for each SHA-PHA as high performing, standard, substandard, or troubled.

A high performer is a SHA-PHA that achieves an overall PHAS score of 90 or greater, and achieves a score of at least 60 percent of the points available under the physical, financial, and management indicators and at least 50 percent of the points available under the capital fund indicator. ~~each of the four indicators, and achieves an overall PHAS score of 90 or greater.~~

A standard performer is a SHA-PHA that has an overall PHAS score between 60 and 89, and achieves a score of at least 60 percent of the points available under the physical, financial, and management indicators and at least 50 percent of the points available under the capital fund indicator.

A substandard performer is a PHA that has an overall PHAS score of at least 60 percent and achieves a score of ~~does not achieve~~ less than 60 percent ~~of the total points available under one of the following indicators: 1, 2, or~~ more of the physical, financial, or management indicators ~~3.~~

A troubled performer is a SHA-PHA that achieves an overall PHAS score of less than 60, or achieves less than 50 ~~60~~ percent of the total points available under more than one of the capital fund indicator ~~following indicators: 1, 2, or 3.~~

These designations can affect a SHA-PHA in several ways:

- High-performing PHAs are eligible for incentives including relief from specific HUD requirements and bonus points in funding competitions [24 CFR 902.71].
- PHAs that are standard performers may be required to submit and operate under a corrective action ~~an improvement~~ plan to eliminate deficiencies in the SHA's-PHA's performance [24 CFR 902.73(a)(1)].
- PHAs that are substandard performers will be required to submit and operate under a corrective action plan to eliminate deficiencies in the PHA's performance [24 CFR 902.73(a)(2)].
- PHAs with an overall rating of "troubled" are subject to additional HUD oversight, and are required to enter into a memorandum of agreement (MOA) with HUD to improve SHA-PHA performance [24 CFR 902.75].
- PHAs that fail to execute or meet MOA requirements may be referred to the Assistant Secretary to determine remedial actions, including, but not limited to, remedies available for substantial default [24 CFR 902.75(g) and 24 CFR Part 907 ~~Departmental Enforcement Center [24 CFR 902.77].~~

PHAs must post a notice of its final PHAS score and status in appropriate conspicuous and accessible locations in its offices within two weeks of receipt of its final score and designation ~~status~~. [24 CFR 902.64(b)(2)].

PART V: RECORD KEEPING

16-V.A. OVERVIEW

The [SHA-PHA](#) must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, the [SHA-PHA](#) must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights, [and that comply with VAWA 2013 confidentiality requirements](#).

16-V.B. RECORD RETENTION

SHA Policy

During the term of each public housing tenancy, and for at least four years thereafter, the SHA will keep all documents related to a family's eligibility, tenancy, and termination.

In addition, the SHA will keep the following records for at least four years:

An application from each ineligible family and notice that the applicant is not eligible

Lead-based paint records as required by 24 CFR 35, Subpart B

Documentation supporting the establishment of flat rents and the public housing maximum rent

Documentation supporting the establishment of utility allowances and surcharges

Documentation [related to supporting PHAS scores](#)

Accounts and other records supporting SHA budget and financial statements for the program

[Complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule](#)

Other records as determined by the SHA or as required by HUD

If a hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents. For specific requirements, see Section 14-II.A.

16-V.C. RECORDS MANAGEMENT

PHAs must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

SHA Policy

All applicant and participant information will be kept in a secure location and access will be limited to authorized SHA staff.

SHA staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

Privacy Act Requirements [24 CFR 5.212 and Form-9886]

The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of Federal, State, and local law.

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or the SHA may release the information collected.

Upfront Income Verification (UIV) Records

PHAs that access UIV data through HUD's Enterprise Income Verification (EIV) ~~system~~ System are required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with ~~federal~~ Federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD-issued document, *Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification (UIV) Data*.

SHA Policy

Prior to utilizing HUD's EIV system, the SHA will adopt and implement EIV security procedures required by HUD.

Criminal Records

The [SHAPHA](#) may only disclose the criminal conviction records which the [SHAPHA](#) receives from a law enforcement agency to officers or employees of the [SHAPHA](#), or to authorized representatives of the [SHAPHA](#) who have a job-related need to have access to the information [24 CFR 5.903(e)].

The [SHAPHA](#) must establish and implement a system of records management that ensures that any criminal record received by the [SHAPHA](#) from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the [SHAPHA](#) action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

The [SHAPHA](#) must establish and implement a system of records management that ensures that any sex offender registration information received by the [SHAPHA](#) from a State or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the [SHAPHA](#) action without institution of a challenge or final disposition of any such litigation. However, a record of the screening, including the type of screening and the date performed must be retained [Notice PIH 2012-28]. This requirement does not apply to information that is public information, or is obtained by a [SHAPHA](#) other than under 24 CFR 5.905.

Medical/Disability Records

PHAs are not permitted to inquire about the nature or extent of a person's disability. The [SHAPHA](#) may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the [SHAPHA](#) receives a verification document that provides such information, the [SHAPHA](#) should not place this information in the tenant file. The [SHAPHA](#) should destroy the document.

Domestic Violence, Dating Violence, Sexual Assault, or Stalking Records

For requirements and PHA policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, or stalking, see section 16-VII.E.

PART VI: REPORTING REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL

16-VI.A. REPORTING REQUIREMENTS [24 CFR 35.1130(e)]

The [SHAPHA](#) has certain responsibilities relative to children with environmental intervention blood lead levels that are living in public housing.

The [SHAPHA](#) must report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional. The [SHAPHA](#) must also report each known case of a child with an environmental intervention blood lead level to the HUD field office.

SHA Policy

The SHA will provide the public health department written notice of the name and address of any child identified as having an environmental intervention blood lead level.

The SHA will provide written notice of each known case of a child with an environmental intervention blood level to the HUD field office within 5 business days of receiving the information.

**PART VII: ~~NOTIFICATION TO APPLICANTS AND TENANTS~~
REGARDING PROTECTIONS UNDER THE VIOLENCE AGAINST WOMEN
REAUTHORIZATION ACT OF 2005 (VAWA): NOTIFICATION, DOCUMENTATION,
AND CONFIDENTIALITY**

16-VII.A. OVERVIEW

The Violence against Women Reauthorization Act of ~~2013~~2005 (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault, and stalking who are applying for or receiving assistance under the ~~requires PHAs to inform~~ public housing program. If your state or local laws provide greater protection for such victims, those apply in conjunction with VAWA.

In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and PHA policies in three areas: notification, documentation, and confidentiality. Specific VAWA requirements and PHA policies are located in Chapter 3, "Eligibility" (sections 3-I.C and 3-III.F); Chapter 5, "Occupancy Standards and Unit Offers" (section 5-II.D); Chapter 8, "Leasing and Inspections" (section 8-I.B); Chapter 12, "Transfer Policy" (sections 12-III.C, 12-III.F, and 12-IV.D); and Chapter 13, "Lease Terminations" (sections 13-III.F and 13-IV.D).

16-VII.B. DEFINITIONS [24 CFR 5.2003, FR Notice 8/6/13]

As used in VAWA:

- The term *affiliated individual* means, with respect to a person:
 - A spouse, parent, brother or sister, or child of that individual, or an individual to whom that person stands in the position or place of a parent; or
 - Any individual, tenant or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.
- The term *bifurcate* means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact. ~~of their rights under this law, including their right to confidentiality and the limits thereof. Since VAWA provides protections for applicants as well as tenants, PHAs may elect to provide the same information to applicants [24 CFR 5.2007(3)].~~
- The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
 - The length of the relationship
 - The type of relationship
 - The frequency of interaction between the persons involved in the relationship
- The term *domestic violence* includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated

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with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

- The term *sexual assault* means:

- Any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks the capacity to consent

- The term *stalking* means:

- To engage in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

16-VIL.C. NOTIFICATION [24 CFR 5.2005(a)]

Notification to Public

The PHA adopts the following policy to help ~~This part describes the steps that the SHA will take to~~ ensure that all actual and potential beneficiaries of its public housing program are aware of ~~notified about~~ their rights under VAWA.

16-VIL.B. VAWA NOTIFICATION

SHA Policy

The SHA will post the following information regarding VAWA in its offices and on its ~~website~~Web site. It will also make the information readily available to anyone who requests it.

A ~~notice~~summary of ~~occupancy~~the rights under and protections provided by VAWA to ~~public housing~~choice voucher program applicants and ~~participants~~residents who are or have been victims of domestic violence, dating violence, sexual assault, or stalking (Form HUD-5380, see ~~sample notice in Exhibit 16-1~~)

~~The definitions of domestic violence, dating violence, and stalking provided in VAWA (included in Exhibit 16-1)~~

~~An explanation of the documentation that the SHA may require from an individual who claims the protections provided by VAWA (included in Exhibit 16-1)~~

A copy of form HUD-~~5382~~50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking and Alternate Documentation (see Exhibit 16-2)

A copy of the PHA's emergency transfer plan (Exhibit 16-3)

A copy of HUD's Emergency Transfer Request for Certain Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, Form HUD-5383 (Exhibit 16-4)

~~A statement of the SHA's obligation to keep confidential any information that it receives from a victim unless (a) the SHA has the victim's written permission to release the information, (b) it needs to use the information in an eviction~~

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proceeding, or (c) it is compelled by law to release the information (included in Exhibit 16-1)

The National Domestic Violence Hot Line: 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY) (included in Exhibit 16-1)

Contact information for local victim advocacy groups or service providers

Notification to Applicants and Tenants [24 CFR 5.2005(a)(1)]~~16-VII.C. NOTIFICATION TO APPLICANTS~~

PHAs are required to inform public housing applicants and tenants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or termination of housing benefits.

The PHA must distribute a notice of VAWA rights, along with the VAWA self-certification form (HUD-5382) at each of these three junctures.

SHA Policy

The VAWA information provided to applicants and participants will consist of the notices in Exhibit 16-1 and 16-2.

The SHA will provide all applicants with information about VAWA~~notification of their protections and rights under VAWA~~ at the time they request an application for housing assistance. The SHA will also include such information in all notices of denial of assistance (see section 3-III.F).

The ~~PSHA~~ will provide all tenants with information about VAWA at the time of admission (see section 8-I.B) and at annual reexamination. The ~~PSHA~~ will also include such information in all lease termination notices (see section 13-IV.D).

The PHA is not limited to providing VAWA information at the times specified in the above policy. If the PHA decides to provide VAWA information to a tenant following an incident of domestic violence, Notice PIH 2006-42 cautions against sending the information by mail, since the abuser may be monitoring the mail. The notice recommends that in such cases the PHA make alternative delivery arrangements that will not put the victim at risk.

~~PSHA~~ Policy

Whenever the ~~PSHA~~ has reason to suspect that providing information about VAWA to a public housing tenant might place a victim of domestic violence at risk, it will attempt to deliver the information by hand directly to the victim.

16-VII.D. DOCUMENTATION NOTIFICATION TO TENANTS [24 CFR 5.2007]

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A PHA presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, or stalking, or criminal activity related to any of these forms of abuse may—but is not required to—request that the individual making the claim document the abuse. Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. The PHA may extend this time period at its discretion. [24 CFR 5.2007(a)]

The individual may satisfy the PHA's request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

- (1) A completed and signed HUD-approved certification form (HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim
- (2) A federal, state, tribal, territorial, or local police report or court record, or an administrative record
- (3) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

The PHA may not require third-party documentation (forms 2 and {3) in addition to certification (form 1), except as specified below under "Conflicting Documentation," nor may it require certification in addition to third-party documentation [VAWA 2005 final rule].}

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~~VAWA requires PHAs to notify tenants assisted under public housing of their rights under this law, including their right to confidentiality and the limits thereof.~~

SHA Policy

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Any request for documentation of domestic violence, dating violence, sexual assault, or stalking will be in writing, will specify a deadline of 14 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline.

The PSHA may, in its discretion, extend the deadline for 10 business days. Any extension granted by the PSHA will be in writing.

Conflicting Documentation [24 CFR 5.2007(e)]

In cases where the PHA receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the PHA may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3). The PHA must honor any court orders issued to protect the victim or to address the distribution of property.

PSHA Policy

If presented with conflicting certification documents (two or more forms HUD-5382) from members of the same household, the PSHA will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007(e) and by following any HUD guidance on how such determinations should be made.

Discretion to Require No Formal Documentation [24 CFR 5.2007(d)]

The PHA has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b).

PSHA Policy

If the PSHA accepts an individual's statement or other corroborating evidence of domestic violence, dating violence, sexual assault, or stalking, the PHA will document acceptance of the statement or evidence in the individual's file.

Failure to Provide Documentation [24 CFR 5.2007(c)]

In order to deny relief for protection under VAWA, a PHA must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as the PHA may allow, the PHA may deny relief for protection under VAWA.

16-VILE. CONFIDENTIALITY [24 CFR 5.2007(b)(4)]

All information provided to the PHA regarding domestic violence, dating violence, sexual assault, or stalking, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, must be retained in confidence. This means that the PHA (1) may not enter the information into any shared database, (2) may not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and (3) may not provide the information to any other entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law.

PSHA Policy

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the PSHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

EXHIBIT 16-1: SAMPLE NOTICE OF OCCUPANCY RIGHTS UNDER THE VIOLENCE AGAINST WOMEN ACT, FORM HUD-5380

Spartanburg Housing Authority

Notice of Occupancy Rights under the Violence Against Women Act¹

To all Tenants and Applicants

The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation.² The U.S. Department of Housing and Urban Development (HUD) is the Federal agency that oversees that **the Spartanburg Housing Authority** is in compliance with VAWA. This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA.”

Protections for Applicants

If you otherwise qualify for assistance under **the Spartanburg Housing Authority** you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

¹ Despite the name of this law, VAWA protection is available regardless of sex, gender identity, or sexual orientation.

² Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

Protections for Tenants

If you are receiving assistance under the Spartanburg Housing Authority, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if you or an affiliated individual of yours is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of your household or any guest, you may not be denied rental assistance or occupancy rights under the Spartanburg Housing Authority solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

Affiliated individual means your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.

Removing the Abuser or Perpetrator from the Household

HP may divide (bifurcate) your lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

If HP chooses to remove the abuser or perpetrator, HP may not take away the rights of eligible tenants to the unit or otherwise punish the remaining tenants. If the evicted abuser or perpetrator was the sole tenant to have established eligibility for assistance under the program, HP must allow the tenant who is or has been a victim and other household members to remain in the unit for a period of time, in order to establish eligibility under the program or under another HUD housing program covered by VAWA, or, find alternative housing.

In removing the abuser or perpetrator from the household, HP must follow Federal, State, and local eviction procedures. In order to divide a lease, HP may, but is not required to, ask you for documentation or certification of the incidences of domestic violence, dating violence, sexual assault, or stalking.

Moving to Another Unit

Upon your request, HP may permit you to move to another unit, subject to the availability of other units, and still keep your assistance. In order to approve a request, HP may ask you to provide documentation that you are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the housing provider may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

1. You are a victim of domestic violence, dating violence, sexual assault, or stalking.

If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation, as described in the documentation section below.

2. You expressly request the emergency transfer. Your housing provider may choose to require that you submit a form, or may accept another written or oral request.

3. You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit. This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you expressly request the transfer.

HP will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families.

HP's emergency transfer plan provides further information on emergency transfers, and HP must make a copy of its emergency transfer plan available to you if you ask to see it.

Documenting You Are or Have Been a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking

HP can, but is not required to, ask you to provide documentation to “certify” that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from HP must be in writing, and HP must give you at least 14 business days (Saturdays, Sundays, and Federal holidays do not count) from the day you receive the request to provide the documentation. HP may, but does not have to, extend the deadline for the submission of documentation upon your request.

You can provide one of the following to HP as documentation. It is your choice which of the following to submit if HP asks you to provide documentation that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- A complete HUD-approved certification form given to you by HP with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for your name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.
- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.

- A statement, which you must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, “professional”) from whom you sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by you attesting under penalty of perjury that he or she believes that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.
- Any other statement or evidence that HP has agreed to accept.

If you fail or refuse to provide one of these documents within the 14 business days, HP does not have to provide you with the protections contained in this notice.

If HP receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms from two or more members of a household each claiming to be a victim and naming one or more of the other petitioning household members as the abuser or perpetrator), HP has the right to request that you provide third-party documentation within thirty 30 calendar days in order to resolve the conflict. If you fail or refuse to provide third-party documentation where there is conflicting evidence, HP does not have to provide you with the protections contained in this notice.

Confidentiality

HP must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA.

HP must not allow any individual administering assistance or other services on behalf of HP (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

HP must not enter your information into any shared database or disclose your information to any other entity or individual. HP, however, may disclose the information provided if:

- You give written permission to HP to release the information on a time limited basis.
- HP needs to use the information in an eviction or termination proceeding, such as to evict your abuser or perpetrator or terminate your abuser or perpetrator from assistance under this program.
- A law requires HP or your landlord to release the information.

VAWA does not limit HP's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

Reasons a Tenant Eligible for Occupancy Rights under VAWA May Be Evicted or Assistance May Be Terminated

You can be evicted and your assistance can be terminated for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against you. However, HP cannot hold tenants who have been victims of domestic violence, dating violence, sexual assault, or stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and you could be evicted and your assistance terminated, if HP can demonstrate that not evicting you or terminating your assistance would present a real physical danger that:

1. Would occur within an immediate time frame, and
2. Could result in death or serious bodily harm to other tenants or those who work on the property.

If HP can demonstrate the above, HP should only terminate your assistance or evict you if there are no other actions that could be taken to reduce or eliminate the threat.

Other Laws

VAWA does not replace any Federal, State, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking. You may be entitled to additional housing protections for victims of domestic violence, dating violence, sexual assault, or stalking under other Federal laws, as well as under State and local laws.

Non-Compliance with The Requirements of This Notice

You may report a covered housing provider's violations of these rights and seek additional assistance, if needed, by contacting or filing a complaint with **[insert contact information for any intermediary, if applicable]** or **[insert HUD field office]**.

For Additional Information

You may view a copy of HUD's final VAWA rule at: <https://www.gpo.gov/fdsys/pkg/FR-2016-11-16/pdf/2016-25888.pdf>.

Additionally, HP must make a copy of HUD's VAWA regulations available to you if you ask to see them.

For questions regarding VAWA, please contact **[insert name of program or rental assistance contact information able to answer questions on VAWA]**.

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact **[Insert contact information for relevant local organizations]**.

For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

For help regarding sexual assault, you may contact **[Insert contact information for relevant organizations]**

Victims of stalking seeking help may contact **[Insert contact information for relevant organizations]**.

Attachment: Certification form HUD-5382 **[form approved for this program to be included]**

EXHIBIT 16-2: CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING AND ALTERNATE DOCUMENTATION, FORM HUD-5382

CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, AND ALTERNATE DOCUMENTATION

U.S. Department of Housing and Urban Development

OMB Approval No. 2577-0286
Exp. 06/30/2017

Purpose of Form: The Violence Against Women Act (“VAWA”) protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

Use of This Optional Form: If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

- (1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, “professional”) from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of “domestic violence,” “dating violence,” “sexual assault,” or “stalking” in HUD’s regulations at 24 CFR 5.2003.
- (2) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
- (3) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

Submission of Documentation: The time period to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time period to submit the documentation, if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

**TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE,
DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING**

1. Date the written request is received by victim: _____

2. Name of victim: _____

3. Your name (if different from victim's): _____

4. Name(s) of other family member(s) listed on the lease: _____

5. Residence of victim: _____

6. Name of the accused perpetrator (if known and can be safely disclosed): _____

7. Relationship of the accused perpetrator to the victim: _____

8. Date(s) and times(s) of incident(s) (if known): _____

10. Location of incident(s): _____

In your own words, briefly describe the incident(s):

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____ Signed on (Date) _____

Public Reporting Burden: The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.

EXHIBIT 16-3: NMA EMERGENCY TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

Attachment: Certification form HUD-5382

Spartanburg Housing Authority

Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

Public Housing Program

Emergency Transfers

The SHA is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA),³ the SHA allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.⁴ The ability of the SHA to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether the SHA has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the federal agency that oversees that the **public housing and housing choice voucher (HCV) programs** are in compliance with VAWA.

³Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

⁴Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L, is eligible for an emergency transfer, if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify the SHA's management office and submit a written request for a transfer to **any SHA office**. The SHA will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under the SHA's program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Confidentiality

The SHA will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives the SHA written permission to release the information on a time-limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person or persons that committed an act of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence against Women Act for All Tenants for more information about the SHA's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfer Timing and Availability

The SHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The SHA will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The SHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the SHA has no safe and available units for which a tenant who needs an emergency transfer is eligible, the SHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, the SHA will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

Emergency Transfers: Public Housing (PH) Program

If you are a public housing resident and request an emergency transfer as described in this plan, the SHA will attempt to assist you in moving to a safe unit quickly. The SHA will make exceptions as required to policies restricting moves.

Emergency transfers for which you are not required to apply for assistance include the following:

- Public housing unit in a different development
- Public housing unit in the same development, if you determine that the unit is safe

At your request, the SHA will refer you to organizations that may be able to further assist you.

You may also request an emergency transfer to the following programs for which you are required to apply for assistance:

- HCV tenant-based program
- HCV project-based assistance
- Other programs administered by the SHA (such as state housing programs)

Emergency transfers will not take priority over waiting list admissions for these types of assistance. At your request, the SHA will refer you to organizations that may be able to further assist you.

Safety and Security of Tenants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse, and Incest National Network's National Sexual Assault Hotline at 1-800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for

Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

Attachment: Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

EXHIBIT 16-4: EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, FORM HUD-5383

**EMERGENCY TRANSFER
REQUEST FOR CERTAIN
VICTIMS OF DOMESTIC
VIOLENCE, DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2577-0286
Exp. 06/30/2017

Purpose of Form: If you are a victim of domestic violence, dating violence, sexual assault, or stalking, and you are seeking an emergency transfer, you may use this form to request an emergency transfer and certify that you meet the requirements of eligibility for an emergency transfer under the Violence Against Women Act (VAWA). Although the statutory name references women, VAWA rights and protections apply to all victims of domestic violence, dating violence, sexual assault or stalking. Using this form does not necessarily mean that you will receive an emergency transfer. See your housing provider's emergency transfer plan for more information about the availability of emergency transfers.

The requirements you must meet are:

(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking. If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation. In response, you may submit Form HUD-5382, or any one of the other types of documentation listed on that Form.

(2) You expressly request the emergency transfer. Submission of this form confirms that you have expressly requested a transfer. Your housing provider may choose to require that you submit this form, or may accept another written or oral request. Please see your housing provider's emergency transfer plan for more details.

(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit. This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you submit this form or otherwise expressly request the transfer.

Submission of Documentation: If you have third-party documentation that demonstrates why you are eligible for an emergency transfer, you should submit that documentation to your housing provider if it is safe for you to do so. Examples of third party documentation include, but are not limited to: a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom you have sought assistance; a current restraining order; a recent court order or other court records; a law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking, and concerning your request for an emergency transfer shall be kept confidential. Such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections or an emergency transfer to you. Such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE PERSON REQUESTING A TRANSFER

1. Name of victim requesting an emergency transfer: _____

2. Your name (if different from victim's) _____

3. Name(s) of other family member(s) listed on the lease: _____

4. Name(s) of other family member(s) who would transfer with the victim: _____

5. Address of location from which the victim seeks to transfer: _____

6. Address or phone number for contacting the victim: _____

7. Name of the accused perpetrator (if known and can be safely disclosed): _____

8. Relationship of the accused perpetrator to the victim: _____

9. Date(s), Time(s) and location(s) of incident(s): _____

10. Is the person requesting the transfer a victim of a sexual assault that occurred in the past 90 days on the premises of the property from which the victim is seeking a transfer? If yes, skip question 11. If no, fill out question 11. _____

11. Describe why the victim believes they are threatened with imminent harm from further violence if they remain in their current unit.

12. If voluntarily provided, list any third-party documentation you are providing along with this notice: _____

This is to certify that the information provided on this form is true and correct to the best of my knowledge, and that the individual named above in Item 1 meets the requirement laid out on this form for an emergency transfer. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____

Signed on (Date) _____

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EXHIBIT 16-1: SAMPLE NOTICE TO PUBLIC HOUSING APPLICANTS AND RESIDENTS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA)

This sample notice was adapted from a notice prepared by the National Housing Law Project.

A federal law that went into effect in 2006 protects individuals who are victims of domestic violence, dating violence, and stalking. The name of the law is the Violence against Women Act, or “VAWA.” This notice explains your rights under VAWA.

Protections for Victims

If you are eligible for public housing, the housing authority cannot refuse to admit you to the public housing program solely because you are a victim of domestic violence, dating violence, or stalking.

If you are the victim of domestic violence, dating violence, or stalking, the housing authority cannot evict you based on acts or threats of violence committed against you. Also, criminal acts directly related to the domestic violence, dating violence, or stalking that are caused by a member of your household or a guest can’t be the reason for evicting you if you were the victim of the abuse.

Reasons You Can Be Evicted

The housing authority can still evict you if the housing authority can show there is an *actual* and *imminent* (immediate) threat to other tenants or housing authority staff if you are not evicted. Also, the housing authority can evict you for serious or repeated lease violations that are not related to the domestic violence, dating violence, or stalking against you. The housing authority cannot hold you to a more demanding set of rules than it applies to tenants who are not victims.

Removing the Abuser from the Household

The housing authority may split the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the public housing unit. If the housing authority chooses to remove the abuser, it may not take away the remaining tenants’ rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, the housing authority must follow federal, state, and local eviction procedures.

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Proving that You Are a Victim of Domestic Violence, Dating Violence, or Stalking

The housing authority can ask you to prove or “certify” that you are a victim of domestic violence, dating violence, or stalking. In cases of termination or eviction, the housing authority must give you at least 14 business days (i.e. Saturdays, Sundays, and holidays do not count) to provide this proof. The housing authority is free to extend the deadline. There are three ways you can prove that you are a victim:

- Complete the certification form given to you by the housing authority. The form will ask for your name, the name of your abuser, the abuser’s relationship to you, the date, time, and location of the incident of violence, and a description of the violence.
- Provide a statement from a victim service provider, attorney, or medical professional who has helped you address incidents of domestic violence, dating violence, or stalking. The professional must state that he or she believes that the incidents of abuse are real. Both you and the professional must sign the statement, and both of you must state that you are signing “under penalty of perjury.”
- Provide a police or court record, such as a protective order.

If you fail to provide one of these documents within the required time, the housing authority may evict you.

Confidentiality

The housing authority must keep confidential any information you provide about the violence against you, unless:

- You give written permission to the housing authority to release the information.
- The housing authority needs to use the information in an eviction proceeding, such as to evict your abuser.
- A law requires the housing authority to release the information.

If release of the information would put your safety at risk, you should inform the housing authority.

VAWA and Other Laws

VAWA does not limit the housing authority’s duty to honor court orders about access to or control of a public housing unit. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, or stalking.

For Additional Information

If you have any questions regarding VAWA, please contact your property manager at 864-598-6000.

For help and advice on escaping an abusive relationship, call the National Domestic Violence Hotline at 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY).

Definitions

For purposes of determining whether a tenant may be covered by VAWA, the following list of definitions applies:

VAWA defines ***domestic violence*** to include felony or misdemeanor crimes of violence committed by any of the following:

- A current or former spouse of the victim
- A person with whom the victim shares a child in common
- A person who is cohabitating with or has cohabitated with the victim as a spouse
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

VAWA defines ***dating violence*** as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

VAWA defines ***stalking*** as (A)(i) to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person OR (ii) to place under surveillance with the intent to kill, injure, harass, or intimidate another person AND (B) in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person, (ii) a member of the immediate family of that person, or (iii) the spouse or intimate partner of that person.

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ACOP Proposed Changes

Board of Commissioners Meeting
Tuesday, June 26, 2018

Chapter	Current	Proposed
Chapter 1: Overview of the Program and Plan		
Chapter 1: Overview of the Program and Plan	The Spartanburg Housing Authority is committed to providing quality affordable housing in healthy neighborhoods through partnerships with our residents and other groups, fostering neighborhood redevelopment and opportunities for those we serve to achieve self-sufficiency	The Spartanburg Housing Authority develops and provides affordable, quality housing options and programs that promote self-sufficiency.
Chapter 1: Overview of the Program and Plan	N/A	<p>1-III.B. CONTENTS OF THE POLICY</p> <p>Unlike the housing choice voucher program, HUD regulations for public housing do not contain a list of what must be included in the ACOP. However, individual regulations contain requirements of inclusion in the PHA's written policy. At a minimum, the ACOP plan should cover PHA policies on these subjects:</p> <ul style="list-style-type: none"> • The organization of the waiting list and how families are selected and offered available units, including any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list (Chapters 4 and 5) • Transfer policies and the circumstances under which a transfer would take precedence over an admission (Chapter 12) • Standards for determining eligibility, suitability for tenancy, and the size and type of the unit needed (Chapters 3 and 5) • Procedures for verifying the information the family has provided (Chapter 7) • The method for achieving deconcentration of poverty and income-mixing of public housing developments (Chapter 4) • Grievance procedures (Chapter 14) • Policies concerning payment by a family to the PHA of amounts the family owes the PHA (Chapter 15 and 16) • Interim redeterminations of family income and composition (Chapter 9) • Policies regarding community service requirements; (Chapter 11) • Policies and rules about safety and ownership of pets in public housing (Chapter 10). <p>New Approach to Policy Development</p> <p>HUD has developed an approach to monitoring PHAs that emphasizes the importance of consistency in operation and decision-making. The ACOP supports that goal by clearly setting forth the PHA's operating policies. A primary focus of HUD's Rental Integrity Monitoring (RIM) program has been consistency in how PHAs conduct their business and in how HUD monitors PHA activities. Referring to and following the ACOP is essential to maintaining consistency in applying PHA policy.</p> <p>HUD makes a distinction between mandatory policies and non-mandatory policies:</p> <ul style="list-style-type: none"> • Mandatory policies: those driven by legislation, regulations, current handbooks, current PIH notices, and legal opinions from the Office of General Counsel • Optional, non-binding guidance: includes guidebooks, FAQs, PIH notices that have expired, and

Chapter 2: Fair Housing and Equal Opportunity	<p>Discrimination Complaints</p> <p>If an applicant or tenant family believes that any family member has been discriminated against by the SHA, the family should advise the SHA. HUD requires the SHA to make every reasonable attempt to determine whether the applicant's or tenant family's assertions have merit and take any warranted corrective action.</p> <p>SHA Policy</p> <p>Applicants or tenant families who believe that they have been subject to unlawful discrimination may notify the SHA either orally or in writing.</p> <p>The SHA will attempt to remedy discrimination complaints made against the PHA. The SHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).</p>	<p>Discrimination Complaints</p> <p>If an applicant or tenant family believes that any family member has been discriminated against by the SHAPHA, the family should advise the SHAPHA. HUD requires the SHA PHA to make every reasonable attempt to determine whether the applicant's or tenant family's assertions have merit and take any warranted corrective action.</p> <p>In all cases, the PHA may advise the family to file a fair housing complaint if the family feels they have been discriminated against under the Fair Housing Act.</p> <p>Upon receipt of a housing discrimination complaint, the PHA is required to:</p> <ul style="list-style-type: none"> • Provide written notice of the complaint to those alleged and inform the complainant that such notice was made • Investigate the allegations and provide the complainant and those alleged with findings and either a proposed corrective action or an explanation of why corrective action is not warranted • Keep records of all complaints, investigations, notices, and corrective actions [Notice PIH 2014-20] <p>SHA Policy</p> <p>Applicants or tenant families who believe that they have been subject to unlawful discrimination may notify the SHA either orally or in writing.</p> <p>Within 10 business days of receiving the complaint, the SHA will provide a written notice to those alleged to have violated the rule. The SHA will also send a written notice to the complainant informing them that notice was sent to those alleged to have violated the rule, as well as information on how to complete and submit a housing discrimination complaint form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).</p> <p>The SHA will attempt to remedy discrimination complaints made against the PHA and will conduct an investigation into all allegations of discrimination.</p> <p>Within 10 business days following the conclusion of the SHA's investigation, the SHA will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.</p> <p>The SHA will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)</p> <p>The SHA will provide a copy of a discrimination complaint form to the complainant and provide them with</p>
Chapter 3: Eligibility	<p>3-I.B. FAMILY AND HOUSEHOLD [24 CFR 5.403 and HUD-50058 IB, p. 13]</p> <p>The terms family and household have different meanings in the public housing program.</p> <p>Family</p> <p>To be eligible for admission, an applicant must qualify as a family. A family may be a single person or a group of persons. Family as defined by HUD includes a family with a child or children, two or more elderly or disabled persons living together, one or more elderly or disabled persons living with one or more live-in aides, or a single person. The SHA has the discretion to determine if any other group of persons qualifies as a family.</p>	<p>3-I.B. FAMILY AND HOUSEHOLD [24 CFR 5.105(a)(2), 24 CFR 5.403, FR Notice 02/03/12, and Notice PIH 2014-20][24 CFR 5.403 and HUD-50058 IB, p. 13]</p> <p>The terms family and household have different meanings in the public housing program.</p> <p>Family</p> <p>To be eligible for admission, an applicant must qualify as a family. A family may be a single person or a group of persons. Family as defined by HUD includes a family with a child or children, two or more elderly or disabled persons living together, one or more elderly or disabled persons living with one or more live-in aides, or a single person. Family as defined by HUD, includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, disabled person, near-elderly person, or any other single person; or a group of persons residing together. Such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, or the remaining member of a tenant family. The PHA has the discretion to determine if any other group of persons qualifies as a family.</p> <p>Gender Identity means actual or perceived gender characteristics.</p> <p>Sexual orientation means homosexuality, heterosexuality, or bisexuality.</p>
Chapter 3: Eligibility	N/A	<p>Family Break-up</p> <p>Except under the following conditions, the PHA has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:</p> <ul style="list-style-type: none"> • If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, or stalking the PHA must ensure that the victim retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, and stalking, see section 16-VII.D of this plan.) • If a court determines the disposition of property between members of the assisted family, the SHA is bound by the court's determination of which family members continue to receive assistance.

Chapter 3: Eligibility	N/A	<p>The fiscal year credit for housing choice voucher program admissions that exceed the minimum voucher program targeting requirement must not exceed the lower of:</p> <ul style="list-style-type: none"> • Ten percent of public housing waiting list admissions during the PHA fiscal year • Ten percent of waiting list admission to the PHA's housing choice voucher program during the PHA fiscal year • The number of qualifying low-income families who commence occupancy during the fiscal year of public housing units located in census tracts with a poverty rate of 30 percent or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.
Chapter 3: Eligibility	<p>SHA Policy:</p> <p>The SHA shall require that all members of the applicant's household provide documentation of a valid Social Security Number (SSN). In the event of a valid reason for not being able to provide an assigned SSN, the SHA shall use the Alternate ID. Once the SSN is provided the SHA shall delete the ID number assigned.</p> <p>In accordance with PIH 2010-3, applicants and participants shall be required to disclose his/her assigned SSN, with the exception of the following individuals:</p> <p>a. Those individuals who do not contend to have eligible immigrations status.</p> <p>1. A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status is not eligible for housing assistance and cannot be house.</p> <p>2. A family that consists of two or more household members and at least one household member that has eligible immigration status, is classified as a mixed family, and is eligible for prorated assistance in accordance with 24 CFR 5.520. The SHA shall not deny assistance to mixed families due to nondisclosure of an SSN by an individual who does not contend to have eligible immigration status.</p> <p>b. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid.</p> <p>c. Existing program participants who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues even if the individual moves to a new assisted unit.</p> <p>The SHA shall request the applicant and participant who are not exempt to provide documentation of each disclosed SSN. Acceptable evidence of the SSN shall consist of:</p> <p>a. An original SSN card issued by the SSA</p> <p>b. An original SSA-issued document, which contains the name and SSN of the individual; or</p> <p>c. An original document issued by a federal state, or local government agency,</p>	<p>SHA Policy:</p> <p>The SHA shall require that all members of the applicant's household provide documentation of a valid Social Security Number (SSN). In the event of a valid reason for not being able to provide an assigned SSN, the SHA shall use the Alternate ID. Once the SSN is provided the SHA shall delete the ID number assigned. In accordance with PIH 2010-3, applicants and participants shall be required to disclose his/her assigned SSN, with the exception of the following individuals:</p> <p>a. Those individuals who do not contend to have eligible immigrations status.</p> <p>1. A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status is not eligible for housing assistance and cannot be house.</p> <p>2. A family that consists of two or more household members and at least one household member that has eligible immigration status, is classified as a mixed family, and is eligible for prorated assistance in accordance with 24 CFR 5.520. The SHA shall not deny assistance to mixed families due to nondisclosure of an SSN by an individual who does not contend to have eligible immigration status.</p> <p>b. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid.</p> <p>c. Existing program participants who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues even if the individual moves to a new assisted unit.</p> <p>The SHA shall request the applicant and participant who are not exempt to provide documentation of each disclosed SSN. Acceptable evidence of the SSN shall consist of:</p> <p>a. An original SSN card issued by the SSA</p> <p>b. An original SSA-issued document, which contains the name and SSN of the individual; or</p> <p>c. An original document issued by a federal state, or local government agency, which contains the name and SSN of the individual</p> <p>The SHA may reject documentation of the SSN provided by the applicant or participant for only the following reasons:</p> <p>1. The document is not an original document; or</p> <p>2. The original document has been altered, mutilated, or not legible; or</p> <p>3. The document appears to be a forged document</p> <p>The SHA shall explain to the applicant or participant, the reason the document is not acceptable and</p>

Chapter 3: Eligibility	N/A	<p>Obtaining Information from Drug Treatment Facilities [24 CFR 960.205]</p> <p>HUD authorizes PHAs to request and obtain information from drug abuse treatment facilities concerning applicants. Specifically, the PHA may require each applicant to submit for all household members who are at least 18 years of age, and for each family head, spouse, or cohead regardless of age, one or more consent forms signed by such household members that requests any drug abuse treatment facility to inform the PHA whether the drug abuse treatment facility has reasonable cause to believe that the household member is currently engaging in illegal drug use.</p> <p>Drug Abuse Treatment Facility means an entity that holds itself out as providing, and provides, diagnosis, treatment, or referral for treatment with respect to the illegal drug use, and is either an identified unit within a general care facility, or an entity other than a general medical care facility.</p> <p>Currently engaging in illegal use of a drug means illegal use of a drug that occurred recently enough to justify a reasonable belief that there is continuing illegal drug use by a household member.</p> <p>Any consent form used for the purpose of obtaining information from a drug abuse treatment facility to determine whether a household member is currently engaging in illegal drug use must expire automatically after the PHA has made a final decision to either approve or deny the admission of such person.</p> <p>Any charges incurred by the PHA for information provided from a drug abuse treatment facility may not be passed on to the applicant or tenant.</p> <p>If the PHA chooses to obtain such information from drug abuse treatment facilities, it must adopt and implement one of the two following policies:</p> <p>Policy A: The PHA must submit a request for information to a drug abuse treatment facility for all families before they are admitted. The request must be submitted for each proposed household member who is at least 18 years of age, and for each family head, spouse, or cohead regardless of age.</p> <p>Policy B: The PHA must submit a request for information only for certain household members, whose criminal record indicates prior arrests or conviction for any criminal activity that may be a basis for denial of admission or whose prior tenancy records indicate that the proposed household member engaged in destruction of property or violent activity against another person, or they interfered with the right of peaceful enjoyment of the premises of other residents.</p> <p>If the PHA chooses to obtain such information, it must abide by the HUD requirements for records management and confidentiality as described in 24 CFR 960.205(f).</p> <p>SHA Policy</p>
Chapter 3: Eligibility	N/A	<p>Resources Used to Check Applicant Suitability [PH Occ GB, pp. 47-56]</p> <p>PHAs have a variety of resources available to them for determination of the suitability of applicants. Generally, PHAs should reject applicants who have recent behavior that would warrant lease termination for a public housing resident.</p> <p>SHA Policy</p> <p>In order to determine the suitability of applicants the SHA will examine applicant history for the past five years. Such background checks will include:</p> <p>Past Performance in Meeting Financial Obligations, Especially Rent</p> <p>PHA and landlord references for the past five years, gathering information about past performance meeting rental obligations such as rent payment record, late payment record, whether the PHA/landlord ever began or completed lease termination for non-payment, and whether utilities were ever disconnected in the unit. PHAs and landlords will be asked if they would rent to the applicant family again.</p> <p>Utility company references covering the monthly amount of utilities, late payment, disconnection, return of utility deposit and whether the applicant can get utilities turned on in his/her name. (Use of this inquiry will be reserved for applicants applying for units where there are tenant-paid utilities.)</p> <p>If an applicant has no rental payment history the SHA will check court records of eviction actions and other financial judgments, and credit reports. A lack of credit history will not disqualify someone from becoming a public housing resident, but a poor credit rating may.</p> <p>Applicants with no rental payment history will also be asked to provide the SHA with personal references. The references will be requested to complete a verification of the applicant's ability to pay rent if no other documentation of ability to meet financial obligations is available. The applicant will also be required to complete a checklist documenting their ability to meet financial obligations.</p> <p>If previous landlords or the utility company do not respond to requests from the SHA, the applicant may provide other documentation that demonstrates their ability to meet financial obligations (e.g. rent receipts, cancelled checks, etc.)</p> <p>Disturbances of Neighbors, Destruction of Property or Living or Housekeeping Habits at Prior Residences that May Adversely Affect Health, Safety, or Welfare of Other Tenants, or Cause Damage to the Unit or the Development</p> <p>PHA and landlord references for the past five years, gathering information on whether the applicant kept a unit</p>

Chapter 3: Eligibility	N/A	<p>SHA Policy</p> <p>The SHA will consider the following facts and circumstances prior to making its decision:</p> <p>The seriousness of the case, especially with respect to how it would affect other residents' safety or property</p> <p>The effects that denial of admission may have on other members of the family who were not involved in the action or failure to act</p> <p>The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or (as discussed further in section 3-III.F) a victim of domestic violence, dating violence, sexual assault, or stalking</p> <p>The length of time since the violation occurred, including the age of the individual at the time of the conduct as well as the family's recent history and the likelihood of favorable conduct in the future</p> <p>While a record of arrest(s) will not be used as the basis for denial, an arrest may, however, trigger an investigation to determine whether the applicant actually engaged in disqualifying criminal activity. As part of its investigation, the PHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The SHA may also consider:</p> <p>Any statements made by witnesses or the applicant not included in the police report</p> <p>Whether criminal charges were filed</p> <p>Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal</p> <p>Any other evidence relevant to determining whether or not the applicant engaged in disqualifying activity</p> <p>Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property</p> <p>Evidence of the applicant family's participation in or willingness to participate in social service or other appropriate counseling service programs</p> <p>In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully</p> <p>The SHA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.</p>
	<p>Removal of a Family Member's Name from the Application [24 CFR 960.203(c)(3)(i)]</p> <p>HUD permits PHAs to impose as a condition of admission, a requirement that family members who participated in or were culpable for an action or failure to act which warrants denial of admission, to not reside in the unit.</p>	<p>Removal of a Family Member's Name from the Application [24 CFR 960.203(c)(3)(i)]</p> <p>Should the PHA's screening process reveal that an applicant's household includes an individual subject to state lifetime registered sex offender registration, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must deny admission to the family [Notice PIH 2012-28].</p> <p>For other criminal activity, the PHA may permit the family to exclude the culpable family members as a condition of eligibility. [24 CFR 960.203(c)(3)(i)].</p> <p>HUD permits PHAs to impose as a condition of admission, a requirement that family members who participated in or were culpable for an action or failure to act which warrants denial of admission, to not reside in the unit.</p>

<p>Chapter 3: Eligibility</p>	<p>3-III.F. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND STALKING [24 CFR Part 5, Subpart L]]</p> <p>The Violence against Women Reauthorization Act of 2005 (VAWA) prohibits denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking. Specifically, Section 607(2) of VAWA adds the following provision to Section 6 of the U.S. Housing Act of 1937, which lists contract provisions and requirements for the public housing program:</p> <p>Every contract for contributions shall provide that . . . the public housing agency shall not deny admission to the project to any applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking if the applicant otherwise qualifies for assistance or admission, and that nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.</p> <p>Definitions [24 CFR 5.2003]</p> <p>As used in VAWA:</p> <ul style="list-style-type: none"> • The term bifurcate means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact. • The term domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction. 	<p>3-III.F. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND OR STALKING [24 CFR Part 5, Subpart L]]</p> <p>The Violence against Women Reauthorization Act of 2005 2013 (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibits denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking. Specifically, Section 607(2) of VAWA adds the following provision to Section 6 of the U.S. Housing Act of 1937, which lists contract provisions and requirements for the public housing program:</p> <p>Every contract for contributions shall provide that . . . the public housing agency shall not deny admission to the project to any applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence or stalking if the applicant otherwise qualifies for assistance or admission, and that nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.</p> <p>Definitions of key terms used in VAWA are provided in section 16-VII of this ACOP, where general VAWA requirements and policies pertaining to notification, documentation, and confidentiality are also located.</p> <p>Definitions [24 CFR 5.2003]</p> <p>As used in VAWA:</p> <ul style="list-style-type: none"> • The term bifurcate means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact. • The term domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction. • The term dating violence means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors: <ul style="list-style-type: none"> -The length of the relationship
<p>Chapter 4: Applications, Waiting List and Tenant Selection</p>	<p>The following site-specific waiting lists are currently maintained by the SHA:</p> <p>Archibald Rutledge High-Rise Archibald Rutledge Village Cambridge Place Cammie Clagett Apartments Camp Croft Courts Apartments Cedar Spring Place (Public Housing Units Only) Collins Park/Cottage Grove (Public Housing Units Only) Country Gardens Estates (Public Housing Units Only) Dr. John C. Bull Apartments Ellen C. Watson Apartments Frank M. Gooch Apartments J. Curtis Anderson Townhomes Leland Street Apartments Louvenia D. Barksdale Apartments Prince Hall Apartments Serenity at Page Lake Section 32 Program (Lease-Purchase/Homeownership) Spruce Street Apartments The Ridge at Southport (Public Housing Units Only) Tobias Booker Hartwell Campus of Learners Victoria Gardens Apartments</p>	<p>The following site-specific waiting lists are currently maintained by the SHA:</p> <p>Archibald Rutledge High-Rise Archibald Rutledge Village Cambridge Place Camp Croft Courts Apartments Cedar Spring Place (Public Housing Units Only) Collins Park/Cottage Grove (Public Housing Units Only) Country Gardens Estates (Public Housing Units Only) Dr. John C. Bull Apartments Prince Hall Apartments Page Lake Manor Section 32 Program (Lease-Purchase/Homeownership) The Ridge at Southport (Public Housing Units Only) Victoria Gardens Apartments</p>

Chapter 4: Applications, Waiting List and Tenant Selection	<p>SHA Policy</p> <p>The SHA will close the waiting list when the estimated waiting period for housing applicants on the list reaches 24 months for the most current applicants. Where the SHA has particular preferences or other criteria that require a specific category of family, the SHA may elect to continue to accept applications from these applicants while closing the waiting list to others.</p> <p>The SHA may close its waiting list for specific sites or bedroom sizes if it is found that there is a sufficient number of applicants available for the ensuing 24 months.</p>	<p>SHA Policy</p> <p>The SHA will close the waiting list when the estimated waiting period for housing applicants on the list reaches more than 150 applicants per bedroom size for the most current applicants. Where the SHA has particular preferences or other criteria that require a specific category of family, the SHA may elect to continue to accept applications from these applicants while closing the waiting list to others.</p> <p>The SHA may close its waiting list for specific sites or bedroom sizes if it is found that there is a sufficient number of applicants available for the ensuing 12 months.</p>
Chapter 4: Applications, Waiting List and Tenant Selection	<p>While the family is on the waiting list, the family must inform the SHA, within 10 business days, of changes in family size or composition, preference status, or contact information, including current residence, mailing address, and phone number. The changes must be submitted in writing.</p>	<p>4-I.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES</p> <p>SHA Policy</p> <p>While the family is on the waiting list, the family must inform the SHA, within 10 business days, of changes in family size or composition, preference status, or contact information, including current residence, mailing address, and phone number. The changes must be submitted in writing and can be made by logging in to the applicant or resident portals.</p>
Chapter 4: Applications, Waiting List and Tenant Selection	<p>The waiting list will be updated as needed to ensure that all applicants and applicant information is current and timely.</p> <p>To update the waiting list, the SHA will send an update request via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that the SHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list. The family's response must be in writing, signed by the applicant, and may be delivered in person or by mail. Responses should be postmarked or received by the SHA no later than 10 business days from the date of the SHA letter.</p>	<p>SHA Policy</p> <p>The waiting list will be updated as needed to ensure that all applicants and applicant information is current and timely.</p> <p>To update the waiting list, the SHA will send an update request electronically or via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that the SHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list.</p> <p>The family's response must be in writing, signed by the applicant, and may be delivered electronically, in person or by mail. Responses should be postmarked or received by the SHA no later than 10 business days from the date of the SHA letter.</p>
	<p>SHA Policy</p> <p>The SHA has chosen to adopt the following preferences: (With the exception of the waiting list for Tobias Campus of Learners, Cambridge Place and Serenity at Page Lake):</p> <ol style="list-style-type: none"> Applicants who have been involuntarily displaced due to a natural disaster that has caused their current living facility to be uninhabitable Homeless: Applicants are considered homeless if documentation is provided that the family has been residing in a temporary shelter for at least 30 days. Federal, State or local government action related to code enforcement, public improvement or development SHA action causing displacement in which the unit currently occupied is being demolished, renovated, or otherwise disposed of for homeownership purposes. The SHA shall adhere to Federal and State laws governing displacement of residents in these cases. Veterans Working families: The head, spouse, co-head or sole member is employed at least 30 hours per week. Families where the head, spouse, or sole member is a person age 62 or older, or is a person with disabilities, will also be given the benefit of the working preference (24 CFR 960.206(b)(2)). Single elderly, disabled, or handicapped applicants shall be considered as a preference over non-elderly, non-disabled, or non-handicapped single applicants for one bedroom units. <p>Tobias Campus of Learners shall have only one preference:</p> <ol style="list-style-type: none"> Working families: The head, spouse, co-head or sole member is employed at least 30 hours per week. Families where the head, spouse, or sole member is a person age 62 or older, or is a person with disabilities, will also be given the benefit of the working preference. 	<p>The SHA has chosen to adopt the following preferences: (With the exception of the waiting list for Cambridge Place and Page Lake Manor):</p> <ol style="list-style-type: none"> Displaced: Applicants who have been involuntarily displaced due to a natural disaster that has caused their current living facility to be uninhabitable. OR SHA action causing displacement in which the unit currently occupied is being demolished, renovated, or otherwise disposed of for homeownership purposes. The SHA shall adhere to Federal and State laws governing displacement of residents in these cases. Homeless: Applicants are considered homeless under the HUD definition and if documentation is provided that the family has been residing in a temporary shelter for at least 30 days. Disaster: Federal, State or local government action related to code enforcement, public improvement or development. Veterans: Past or present members of the US Armed Forces, veterans, or surviving spouses of veterans who served in the active military. A copy of the service member's DD 214 Report of Separation. Working families: The head, spouse, co-head or sole member is employed at least 30 hours per week. Families where the head, spouse, or sole member is a person age 62 or older, or is a person with disabilities, will also be given the benefit of the working preference (24 CFR 960.206(b)(2)). Elderly/Disabled: Single elderly, disabled, or handicapped applicants shall be considered as a preference over non-elderly, non-disabled, or non-handicapped single applicants for one bedroom units.

Chapter 4: Applications, Waiting List and Tenant Selection	<p>Income Targeting Requirement [24 CFR 960.202(b)]</p> <p>HUD requires that extremely low-income (ELI) families make up at least 40% of the families admitted to public housing during the SHA's fiscal year. ELI families are those with annual incomes at or below 30% of the area median income. To ensure this requirement is met, the SHA may skip non-ELI families on the waiting list in order to select an ELI family.</p>	<p>Income Targeting Requirement [24 CFR 960.202(b)]</p> <p>HUD requires that extremely low-income (ELI) families make up at least 40% of the families admitted to public housing during the SHA's fiscal year. ELI families are those with annual incomes at or below 30% of the area median income whichever number is higher [Federal Register notice 6/25/14]. To ensure this requirement is met, the SHA may skip non-ELI families on the waiting list in order to select an ELI family.</p> <p>If a PHA also operates a housing choice voucher (HCV) program, admissions of extremely low-income families to the PHA's HCV program during a PHA fiscal year that exceed the 75 percent minimum target requirement for the voucher program, shall be credited against the PHA's basic targeting requirement in the public housing program for the same fiscal year. However, under these circumstances the fiscal year credit to the public housing program must not exceed the lower of: (1) ten percent of public housing waiting list admissions during the PHA fiscal year; (2) ten percent of waiting list admissions to the PHA's housing choice voucher program during the PHA fiscal year; or (3) the number of qualifying low-income families who commence occupancy during the fiscal year of PHA public housing units located in census tracts with a poverty rate of 30 percent or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.</p> <p>SHA Policy The SHA will monitor progress in meeting the ELI requirement throughout the fiscal year. ELI families will be selected ahead of other eligible families on an as-needed basis to ensure that the income targeting requirement is met.</p>
	<p>Units Designated for Elderly or Disabled Families [24 CFR 945]</p> <p>The SHA may designate projects or portions of a public housing project specifically for elderly or disabled families. The SHA must have a HUD-approved allocation plan before the designation may take place.</p> <p>SHA Policy</p> <p>The SHA have designated elderly or designated disabled housing at the following properties: Archibald Rutledge (Village), Gooch Apartments, and Cedar Springs Place</p>	<p>Units Designated for Elderly or Disabled Families [24 CFR 945]</p> <p>The SHA may designate projects or portions of a public housing project specifically for elderly or disabled families. The SHA must have a HUD-approved allocation plan before the designation may take place.</p> <p>Among the designated developments, the PHA must also apply any preferences that it has established. If there are not enough elderly families to occupy the units in a designated elderly development, the PHA may allow near-elderly families to occupy the units [24 CFR 945.303(c)(1)]. Near-elderly family means a family whose head, spouse, or cohead is at least 50 years old, but is less than 62 [24 CFR 5.403].</p> <p>If there are an insufficient number of elderly families and near-elderly families for the units in a development designated for elderly families, the PHA must make available to all other families any unit that is ready for re-rental and has been vacant for more than 60 consecutive days [24 CFR 945.303(c)(2)].</p> <p>The decision of any disabled family or elderly family not to occupy or accept occupancy in designated housing shall not have an adverse effect on their admission or continued occupancy in public housing or their position on the placement on the waiting list. However, this protection does not apply to any family who refuses to occupy or accept occupancy in designated housing because of the race, color, religion, sex, disability, familial status, or national origin of the occupants of the designated housing or the surrounding area [24 CFR 945.303(d)(1) and (2)]. This protection does apply to an elderly family or disabled family that declines to accept occupancy, respectively, in a designated project for elderly families or for disabled families, and requests occupancy in a general occupancy project or in a mixed population project [24 CFR 945.303(d)(3)].</p> <p>SHA Policy The SHA have designated elderly or designated disabled housing at the following properties: 1 unit at Cambridge Place</p>

Chapter 5: Occupancy Standards and Unit Offers	<p>Types of Exceptions</p> <p>SHA Policy</p> <p>The SHA will consider granting exceptions to the occupancy standards at the family's request if the SHA determines the exception is justified by the relationship, age, sex, health or disability of family members, or other personal circumstances.</p>	<p>Types of Exceptions</p> <p>SHA Policy</p> <p>The SHA will consider granting exceptions to the occupancy standards at the family's request if the SHA determines the exception is justified by the relationship, age, sex, health or disability of family members, or other personal circumstances.</p> <p>For example, an exception may be granted if a larger bedroom size is needed for medical equipment due to its size and/or function, or as a reasonable accommodation for a person with disabilities. An exception may also be granted for a smaller bedroom size in cases where the number of household members exceeds the maximum number of persons allowed for the unit size in which the family resides (according to the chart in Section 5-LB) and the family does not want to transfer to a larger size unit.</p> <p>When evaluating exception requests the PHA will consider the size and configuration of the unit. In no case will the PHA grant an exception that is in violation of local housing or occupancy codes, regulations or laws.</p> <p>Requests from applicants to be placed on the waiting list for a unit size smaller than designated by the occupancy standards will be approved as long as the unit is not overcrowded according to local code, and the family agrees not to request a transfer for a period of two years from the date of admission, unless they have a subsequent change in family size or composition.</p> <p>To prevent vacancies, the PHA may provide an applicant family with a larger unit than the occupancy standards permit. However, in these cases the family must agree to move to a suitable, smaller unit when another family qualifies for the larger unit and there is an appropriate size unit available for the family to transfer to.</p>
Chapter 6: Income and Rent Determinations	<p>SHA requires the use of the Enterprise Income Verification (EIV) system in accordance with HUD directives in order to verify tenant household employment and income information during annual and interim recertifications. The SHA shall review the EIV Income Report of each family before or during the annual and interim examinations of family income and composition to reduce under reporting of income and improper subsidy payments. This is considered to be automated written third party verification.</p>	<p>PHAs are required to use HUD's Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].</p> <p>HUD allows PHAs to use tenant-provided documents to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where the PHA does not determine it is necessary to obtain additional third-party data.</p> <p>When EIV is obtained and the family does not dispute the EIV employer data, the SHA will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, the SHA will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.</p> <p>The SHA will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:</p> <p>If EIV or other UIV data is not available,</p> <p>If the family disputes the accuracy of the EIV employer data, and/or</p> <p>If the SHA determines additional information is needed.</p> <p>In such cases, the SHA will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the SHA annualized projected income.</p> <p>When the SHA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the SHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.</p> <p>Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the SHA to show why the historic pattern does not represent the family's anticipated income.</p>

Chapter 6: Income and Rent Determinations	N/A	<p>Known Changes in Income</p> <p>If the SHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.</p> <p>Example: An employer reports that a full-time employee who has been receiving \$8/hour will begin to receive \$8.25/hour in the eighth week after the effective date of the reexamination. In such a case the SHA would calculate annual income as follows: (\$8/hour × 40 hours × 7 weeks) + (\$8.25 × 40 hours × 45 weeks).</p> <p>The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the SHA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if the SHA's policy on reexaminations does not require interim reexaminations for other types of changes.</p> <p>When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.</p> <p>Projecting Income</p> <p>In HUD's EIV webcast of January 2008, HUD made clear that PHAs are not to use EIV quarterly wages to project annual income.</p>
Chapter 6: Income and Rent Determinations	<p>Calculation of the Disallowance</p> <p>Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "prior income."</p> <p>SHA Policy</p> <p>The SHA defines prior income, or prequalifying income, as the family member's last certified income prior to qualifying for the EID.</p> <p>The family member's prior, or prequalifying, income remains constant throughout the period that he or she is receiving the EID.</p> <p>Initial 12-Month Exclusion</p> <p>During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.</p> <p>SHA Policy</p> <p>The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.</p> <p>Second 12-Month Exclusion and Phase-In</p> <p>During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.</p> <p>Lifetime Limitation</p> <p>The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and Section 8 assistance, or if there are breaks in assistance.</p> <p>SHA Policy</p> <p>During the 48-month eligibility period, the SHA will conduct an interim</p>	<p>Calculation of the Disallowance</p> <p>Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "baseline income" The family member's baseline income is his or her income immediately prior to qualifying for the EID. The family member's baseline income remains constant throughout the period that he or she is participating in the EID.</p> <p>SHA Policy</p> <p>While qualification for the disallowance is the same for all families, calculation of the disallowance will differ depending on when the family member qualified for the EID. Residents qualifying prior to May 9, 2016 will have the disallowance calculated under the "Original Calculation Method" described below, which requires a maximum lifetime disallowance period of up to 48 consecutive months. Residents qualifying on or after May 9, 2016 will be subject to the "Revised Calculation Method," which shortens the lifetime disallowance period to 24 consecutive months.</p> <p>Under both the original and new methods, the EID eligibility criteria, the benefit amount, the single lifetime eligibility requirement and the ability of the applicable family member to stop and restart employment during the eligibility period are the same.</p> <p>Original Calculation Method</p> <p>Initial 12-Month Exclusion</p> <p>During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.</p> <p>SHA Policy</p> <p>The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.</p> <p>Second 12-Month Exclusion and Phase-In</p> <p>During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.</p> <p>Lifetime Limitation</p> <p>The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between</p>

Chapter 6: Income and Rent Determinations	<p>Income from Assets</p> <p>The SHA will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, HUD authorizes the SHA to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) the SHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, the SHA can take into consideration past rental income along with the prospects of obtaining a new tenant.</p> <p>SHA Policy</p> <p>Any time current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to the SHA to show why the asset income determination does not represent the family's anticipated asset income.</p>	<p>Imputing Income from Assets [24 CFR 5.609(b)(3), Notice PIH 2012-29]</p> <p>When net family assets are \$5,000 or less, the SHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, the SHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by the SHA.</p> <ul style="list-style-type: none"> • Note: The HUD field office no longer provides an interest rate for imputed asset income. The "safe harbor" is now for the SHA to establish a passbook rate within 0.75 percent of a national average. • The SHA must review its passbook rate annually to ensure that it remains within 0.75 percent of the national average. <p>SHA Policy</p> <p>The SHA will initially set the imputed asset passbook rate at the national rate established by the Federal Deposit Insurance Corporation (FDIC).</p> <p>The SHA will review the passbook rate annually, in December of each year. The rate will not be adjusted unless the current SHA rate is no longer within 0.75 percent of the national rate. If it is no longer within 0.75 percent of the national rate, the passbook rate will be set at the current national rate.</p> <p>Changes to the passbook rate will take effect on February 1 following the December review.</p>
	<p>Equity in Real Property or Other Capital Investments</p> <p>Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25 and PH, p. 121].</p> <p>Equity in real property and other capital investments is considered in the calculation of asset income except for the following types of assets:</p> <ul style="list-style-type: none"> • Equity accounts in HUD homeownership programs [24 CFR 5.603(b)] • Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6-I.F. • Interests in Indian Trust lands [24 CFR 5.603(b)] • Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25] <p>A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.</p> <p>In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.</p>	<p>Equity in Real Property or Other Capital Investments</p> <p>Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25 and PH, p. 121].</p> <p>SHA Policy</p> <p>In determining the equity, the SHA will determine market value by examining recent sales of at least three properties in the surrounding or similar neighborhood that possess comparable factors that affect market value.</p> <p>The SHA will first use the payoff amount for the loan (mortgage) as the unpaid balance to calculate equity. If the payoff amount is not available, the SHA will use the basic loan balance information to deduct from the market value in the equity calculation.</p> <p>Equity in real property and other capital investments is considered in the calculation of asset income except for the following types of assets:</p> <ul style="list-style-type: none"> • Equity accounts in HUD homeownership programs [24 CFR 5.603(b)] • Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6-I.F. • Interests in Indian Trust lands [24 CFR 5.603(b)] • Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25] • The PHA must also deduct from the equity the reasonable costs for converting the asset to cash. Using the formula for calculating equity specified above, the net cash value of real property is the market value of the loan (mortgage) minus the expenses to convert to cash [Notice PIH 2012-3]. <p>SHA Policy</p> <p>For the purposes of calculating expenses to convert to cash for real property, the SHA will use ten percent of the market value of the home.</p>
	N/A	<p>The PHA must make a special calculation of annual income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, the PHA must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount [Notice PIH 2012-10].</p>

Chapter 6: Income and Rent Determinations	<p>Alimony and Child Support The SHA must count alimony or child support amounts awarded as part of a divorce or separation agreement. SHA Policy The SHA will count court-awarded amounts for alimony and child support unless the SHA verifies that the payments are not being made and have not been made for a period of 12 months or longer. In the event payments have been made erratically during the previous year, and show no recent history of being made on schedule, the SHA shall average the amount received during the last year for the income calculation. Voluntary Child Support: In the event that voluntary child support is being provided to the family, the SHA shall require a third party written certification from the provider.</p>	<p>Alimony and Child Support The PHA must count alimony or child support amounts awarded as part of a divorce or separation agreement. SHA Policy The SHA will count court-awarded amounts for alimony and child support unless the SHA verifies that (1) the payments are not being made and (2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments, [HCV GB, pp. 5-23 and 5-47]. Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.</p>
Chapter 6: Income and Rent Determinations	<ul style="list-style-type: none"> • Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17)]. HUD publishes an updated list of these exclusions periodically. It includes: <ul style="list-style-type: none"> (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b)) (b) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058) (c) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c)) (d) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e) (e) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f)) (f) Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b)) (Effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931).) (g) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04) (h) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408) (i) 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 U.S.C. 1087uu) (j) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f)) 	<ul style="list-style-type: none"> • Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17), FR Notice 5/20/14]. HUD publishes an updated list of these exclusions periodically. It includes: <ul style="list-style-type: none"> (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b)) (b) Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC (c) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058) (d) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c)) (e) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e) (f) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f)) (g) Payments received under programs funded in whole or in part under the the Workforce Investment Act of 1998 (29 U.S.C. 2931).) (h) Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts (i) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04) (j) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b)) (k) A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled Elouise Cobell et al. v. Ken Salazar et al., for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010 (l) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408) (m) Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs) (n) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))

Chapter 6: Income and Rent Determinations	<p>Change in Flat Rents</p> <p>SHA Policy</p> <p>Changes to flat rents, up or down, will not affect families paying flat rent until their next annual flat rent offer, at which time the family will be given the choice of switching back to income-based rent or of remaining on flat rent at the current (most recently adjusted) flat rent for their unit [PH Occ GB, pp. 137-138].</p>	<p>Phasing in Flat Rents [Notice PIH 2015-13; 24 CFR 960.253(b)]</p> <p>When new flat rents requirements were implemented in 2014, HUD limited the increase for existing residents paying flat rent at that time to no more than 35 percent of the current tenant rent per year. In some cases, this meant that some residents had or will have their flat rents phased-in at the time of their annual recertification. To do this, PHAs conduct a flat rent impact analysis to determine whether a phase-in is or was necessary. For families whose flat rent is being phased-in, the PHA must multiply the family's current rent amount by 1.35 and compare the result to the flat rent under the PHA's policies. Families who have subsequently been admitted to the program or have subsequently selected flat rent will not experience a phase in.</p> <p>Notice PIH 2015-13 requires that flat rents must be phased in at the full 35 percent per year. PHAs do not have the option of phasing in flat rent increases at less than 35 percent per year.</p> <p>Example: A family was paying a flat rent of \$500 per month. At their annual recertification, the PHA has increased the flat rent for their unit size to comply with the new requirements to \$700. The PHA conducted a flat rent impact analysis as follows:</p> $\$500 \times 1.35 = \675 <p>Since the PHA's increased flat rent of \$700 resulted in a rent increase of more than 35 percent, the PHA offered the family the choice to pay either \$675 per month or an income-based rent. The flat rent increase was phased in. At their next annual recertification in November 2015, the PHA will again multiply the family's current flat rent by 1.35 and compare the results to the PHA's current flat rent.</p>
Chapter 7: Verification	N/A	<p>SHA Policy</p> <p>For each new admission or historical adjustment, the SHA shall:</p> <ol style="list-style-type: none"> Review the EIV Income Report to confirm and validate family-reported income within 120 days of the PIC submission date Print and maintain a copy of the EIV Income Report in the tenant file; and Resolve any income discrepancy with the family within 60 days of the EIV Income Report date.. <p>For each interim recertification, the SHA shall have the following documentation in the tenant file:</p> <ol style="list-style-type: none"> ICN Page when there is no household income discrepancy noted on the EIV EIV Income Report when there is an income discrepancy noted on the household's Income Discrepancy Report. <p>For each annual recertification of family income and composition, the SHA shall have the following documentation in the tenant file:</p> <ol style="list-style-type: none"> No Dispute of EIV Information signed by the resident with current acceptable tenant-provided documentation, and only if necessary, traditional third party verification. Disputed EIV Information signed by the resident with current acceptable tenant-provided documentation and/or traditional third party verification for the disputed information Tenant-reported income not verifiable through the EIV system with current tenant-provided documents, and if necessary, third party verification form(s). <p>The SHA shall generate the following EIV reports monthly:</p> <ol style="list-style-type: none"> Deceased Tenants Report Immigration Report <p>The SHA shall generate the following EIV reports on a quarterly basis:</p> <ol style="list-style-type: none"> Income Discrepancy Report Multiple Subsidy Report New Hires Report
Chapter 7: Verification	<p>SHA Policy</p> <p>The SHA will inform all applicants and residents of its use of the following UIV resources during the admission and reexamination process:</p> <p>HUD's EIV system</p>	<p>SHA Policy</p> <p>The SHA will inform all applicants and residents of its use of the following UIV resources during the admission and reexamination process:</p> <p>HUD's EIV system</p> <p>The Work Number</p>

Chapter 7: Verification	<p>SHA Policy</p> <p>The SHA will diligently seek third-party verification using a combination of written and oral requests to verification sources. Information received directly or orally from a third-party source or parties may be used either to clarify information provided to the PHA in writing by the family. If third party or as independent verification when written third-party verification is not available, the PHA must receive in a timely fashion.</p> <p>The SHA may mail, fax, e-mail, or hand-deliver third-party written verification requests and will accept third-party responses using any of these methods. The SHA will send a written request for verification to each required source within 5 business days of securing a family's authorization for the release of the information and give the source 10 business days to respond in writing. If a response has not been received by the 11th business day, the SHA will request third-party oral verification.</p> <p>The SHA will make a minimum of two attempts, one of which may be oral, to obtain third-party verification. A record of each attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.</p>	<p>Written Third-Party Verification [Notice PIH 2010-19]</p> <p>Written third-party verification documents must be original and authentic and may be supplied by the family or received from a contact the third-party source.</p> <p>Examples of acceptable tenant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, (including no-answer calls) and unemployment monetary benefit notices. all contacts with</p> <p>The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.</p> <p>The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible.</p>
Chapter 7: Verification	N/A	<p>When HUD requires third-party verification, self-certification, or "tenant declaration," is used as a last resort when the PHA is unable to obtain third-party verification.</p> <p>Self-certification, however, is an acceptable form of verification when:</p> <ul style="list-style-type: none"> • A source of income is fully excluded • Net family assets total \$5,000 or less and the PHA has adopted a policy to accept self certification at annual recertification, when applicable • The PHA has adopted a policy to implement streamlined annual recertifications for fixed sources of income (See Chapter 9) <p>When the PHA was required to obtain third-party verification but instead relies on a tenant declaration for verification of income, assets, or expenses, the family's file must be documented to explain why third-party verification was not available.</p>
Chapter 7: Verification	<p>7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and HCV, p. 5-12]</p> <p>For every family member age 6 or older, the family must provide documentation of a valid social security number (SSN), or a self-certification stating that no SSN has been issued. The self-certification must be executed personally by any family member 18 or older, or by a parent or guardian for a minor.</p> <p>SHA Policy</p> <p>The SHA shall require that all members of the applicant's household provide documentation of a valid Social Security Number (SSN). In the event of a valid reason for not being able to provide an assigned SSN, the SHA shall use the Alternate ID. Once the SSN is provided the SHA shall delete the ID number assigned.</p> <p>In accordance with PIH 2010-3, applicants and participants shall be required to disclose his/her assigned SSN, with the exception of the following individuals:</p> <p>A. Those individuals who do not contend to have eligible immigration status.</p> <ol style="list-style-type: none"> 1. A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status is not eligible for housing assistance and cannot be house. 2. A family that consists of two or more household members and at least one household member that has eligible immigration status, is classified as a mixed family, and is eligible for prorated assistance in accordance with 24 CFR 5.520. The SHA shall not deny assistance to mixed families due to nondisclosure of an SSN by an individual who does not contend to have eligible immigration status. <p>B. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid.</p> <p>C. Existing program participants who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues even if the individual moves to a new assisted unit.</p> <p>The SHA shall request the applicant and participant who are not exempt to provide documentation of each disclosed SSN. Acceptable evidence of the SSN shall</p>	<p>7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and Notice PIH 2012-10]</p> <p>B. The family must provide documentation of a valid social security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions also include, existing residents who were at least 62 years of age as of January 31, 2010, and had not previously disclosed an SSN.</p> <p>The PHA must accept the following documentation as acceptable evidence of the social security number:</p> <ol style="list-style-type: none"> a. An original SSN card issued by the Social Security Administration (SSA) b. An original SSA-issued document, which contains the name and SSN of the individual c. An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual <p>1. The PHA may only reject documentation of an SSN provided by an applicant or resident if the document is not an original document, if the original document has been altered, mutilated, is illegible, or if the document appears to be forged.</p> <p>SHA Policy</p> <p>The SHA will explain to the applicant or resident the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the PHA within 90 days. If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to the date of program admission, an otherwise eligible family may be admitted and must provide documentation of the child's SSN within 90 days. A 90-day extension will be granted if the SHA determines that the resident's failure to comply was due to unforeseen circumstances and was outside of the resident's control.</p> <p>SHA Policy</p> <p>The SHA will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.</p> <p>When a resident requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the resident must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.</p>

Chapter 8: Leasing and Inspections	<p>8-I.A. OVERVIEW</p> <p>An eligible family may occupy a public housing dwelling unit under the terms of a lease. The lease must meet all regulatory requirements, and must also comply with applicable state and local laws and codes.</p> <p>The term of the lease must be for a period of 12 months. The lease must be renewed automatically for another 12-month term, except that the SHA may not renew the lease if the family has violated the community service requirement [24 CFR 966.4(a)(2)].</p> <p>Part I of this chapter contains regulatory information, when applicable, as well as the SHA's policies governing leasing issues.</p> <p>8-I.B. LEASE ORIENTATION</p> <p>SHA Policy</p> <p>After unit acceptance but prior to occupancy, a SHA representative will provide a lease orientation to the family. The head of household or spouse is required to attend.</p> <p>Orientation Agenda</p> <p>SHA Policy</p> <p>When families attend the lease orientation, they will be provided with:</p> <ul style="list-style-type: none"> A copy of the lease A copy of the SHA's grievance procedure A copy of the house rules A copy of the SHA's schedule of maintenance charges A copy of the pamphlet Protect Your Family From Lead in Your Home A copy of Applying for HUD Assistance and HUD Fact Sheet A copy of the Violence Against Women Act information A copy of the utility allowance used for the unit <p>The Privacy Act/Consent FormTopics to be discussed will include:</p> <ul style="list-style-type: none"> Applicable deposits and other charges Review and explanation of lease provisions 	<p>8-I.A. OVERVIEW</p> <p>An eligible family may occupy a public housing dwelling unit under the terms of a lease. The lease must meet all regulatory requirements, and must also comply with applicable state and local laws and codes.</p> <p>The term of the lease must be for a period of 12 months. The lease must be renewed automatically for another 12-month term, except that the PHA may not renew the lease if the family has violated the community service requirement [24 CFR 966.4(a)(2)].</p> <p>PHAs must adopt smoke-free policies, which must be implemented no later than July 30, 2018. A model policy is attached as Exhibit 8-1.</p> <p>Part I of this chapter contains regulatory information on leasing, where applicable, as well as the PHA's leasing policies.</p> <p>8-I.B. LEASE ORIENTATION</p> <p>SHA Policy</p> <p>After unit acceptance but prior to occupancy, a SHA representative will conduct a lease orientation with the family. The head of household or spouse is required to attend.</p> <p>Orientation Agenda</p> <p>SHA Policy</p> <p>When families attend the lease orientation, they will be provided with:</p> <ul style="list-style-type: none"> A copy of the lease A copy of the SHA's grievance procedure A copy of the house rules A copy of the SHA's schedule of maintenance charges A copy of the pamphlet Protect Your Family From Lead in Your Home A copy of "Is Fraud Worth It?" (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse A copy of "What You Should Know about EIV," a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19 A copy of the VAWA notice of occupancy rights (see section 16-VII.C) A copy of form HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking A copy of the utility allowance used for the unit
Chapter 8: Leasing and Inspections	<p>Annual Inspections</p> <p>Under the Public Housing Assessment System (PHAS), the SHA is required to inspect all occupied units annually using HUD's Uniform Physical Condition Standards (UPCS) [24 CFR 902.43(a)(4)].</p>	<p>Annual Inspections [24 CFR 5.705]</p> <p>Section 6(f)(3) of the United States Housing Act of 1937 requires that PHAs inspect each public housing project annually to ensure that the project's units are maintained in decent, safe, and sanitary condition. The PHA shall continue using the Uniform Physical Condition Standards (UPCS) in 24 CFR 5, Subpart G, Physical Condition Standards and Inspection Requirements, to conduct annual project inspections. These standards address the inspection of the site area, building systems and components, and dwelling units.</p> <p>SHA Policy</p> <p>The SHA and/or a third party vendor will inspect all occupied units annually using HUD's Uniform Physical Condition Standards (UPCS).</p>
Chapter 9: Reexaminations	N/A	<p>9-I.B STREAMLINED ANNUAL REEXAMINATIONS [24 CFR 960.257]</p> <p>HUD permits PHAs to streamline the income determination process for family members with fixed sources of income. While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years the PHA may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest. The PHA may, however, obtain third-party verification of all income, regardless of the source. Further, upon request of the family, the PHA must perform third-party verification of all income sources.</p> <p>Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.</p> <p>SHA Policy</p> <p>The SHA will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed-income sources. The SHA will document in the file how the determination that a source of income was fixed was made.</p> <p>If a family member with a fixed source of income is added, the SHA will use third-party verification of all income amounts for that family member.</p> <p>If verification of the COLA or rate of interest is not available, the SHA will obtain third-party verification of income amounts.</p> <p>Third-party verification of fixed sources of income will be obtained during the intake process and at least once every three years thereafter.</p>

Chapter 10: Pets	N/A	<p>PART I: SERVICE ANIMALS AND ASSISTANCE ANIMALS [Section 504; Fair Housing Act (42 U.S.C.); 24 CFR 5.303; 24 CFR 960.705; Notice FHEO 2013-01]</p> <p>10-I.A. OVERVIEW</p> <p>This part discusses situations under which permission for a service animal or an assistance animal may be denied, and also establishes standards for the care of service and assistance animals.</p> <p>Notice FHEO 2013-01 was published April 25, 2013. The notice explains the difference between service animals and assistance animals. While the ADA applies to the premises of public housing agencies and to “public accommodations” such as stores and movie theaters, it does not apply to private-market rental housing. Therefore, in public housing the PHA must evaluate a request for a service animal under both the ADA and the Fair Housing Act. Service animals are limited to trained dogs.</p> <p>Neither service animals nor assistance animals are pets, and thus, are not subject to the PHA’s pet policies described in Parts II through IV of this chapter [24 CFR 5.303; 960.705; Notice FHEO 2013-01].</p> <p>10-I.B. APPROVAL OF SERVICE ANIMALS AND ASSISTANCE ANIMALS</p> <p>Notice FHEO 2013-01 states that the PHA should first evaluate the request as a service animal under the ADA. The PHA may only ask whether the dog is a service animal required due to a disability, and what tasks the animal has been trained to perform.</p> <p>The PHA cannot require proof of training or certification for a service animal, even if the disability and/or tasks performed are not readily apparent. If the disability and/or tasks performed are not readily apparent, no further inquiries may be made.</p> <p>PHAs may only deny a request for a service animal in limited circumstances:</p> <ul style="list-style-type: none"> • The animal is out of control and the handler does not take effective action to control it • The animal is not housebroken, or • The animal poses a direct threat to health or safety that cannot be eliminated or reduced by a reasonable modification of other policies <p>A service animal must be permitted in all areas of the facility where members of the public are allowed.</p> <p>If the animal does not qualify as a service animal under the ADA, the PHA must next determine whether the animal would qualify as an assistance animal under the reasonable accommodation provisions of the Fair Housing Act. Such assistance animals may include animals other than dogs.</p> <p>A person with a disability is not automatically entitled to have an assistance animal. Reasonable accommodation</p>
Chapter 10: Pets	N/A	Dogs of the aggressive breeds
Chapter 10: Pets	Residents may own a maximum of one (1) pet per unit with unit size 0 BR – 3 BR and two (2) pets per unit with size 4 BR – 5 BR.	Residents may own a maximum of one (1) pet per unit with unit size 0 BR – 3 BR and two (2) pets per unit with size 4 BR – 5 BR only 1 of which may be a dog.

Chapter 10: Pets	N/A	<p>PART III: PET DEPOSITS AND FEES IN ELDERLY/DISABLED DEVELOPMENTS</p> <p>10-III.A. OVERVIEW</p> <p>This part describes the PHA's policies for pet deposits and fees in elderly, disabled and mixed population developments. Policies governing deposits and fees in general occupancy developments are described in Part IV.</p> <p>10-III.B. PET DEPOSITS</p> <p>Payment of Deposit</p> <p>The PHA may require tenants who own or keep pets in their units to pay a refundable pet deposit. This deposit is in addition to any other financial obligation generally imposed on tenants of the project [24 CFR 5.318(d)(1)].</p> <p>The maximum amount of pet deposit that may be charged by a PHA on a per dwelling unit basis, is the higher of the total tenant payment (TTP) or such reasonable fixed amount as the PHA may require. The PHA may permit gradual accumulation of the pet deposit by the pet owner [24 CFR 5.318(d)(3)].</p> <p>The pet deposit is not part of the rent payable by the resident [24 CFR 5.318(d)(5)].</p> <p>SHA Policy</p> <p>Pet owners are required to pay a pet deposit in addition to any other required deposits. The amount of the deposit is the higher of the family's total tenant payment or \$50.00, and must be paid in full before the pet is brought on the premises.</p> <p>Refund of Deposit [24 CFR 5.318(d)(1)]</p> <p>The PHA may use the pet deposit only to pay reasonable expenses directly attributable to the presence of the pet, including (but not limited to) the costs of repairs and replacements to, and fumigation of, the tenant's dwelling unit. The PHA must refund the unused portion of the pet deposit to the tenant within a reasonable time after the tenant moves from the project or no longer owns or keeps a pet in the unit.</p> <p>SHA Policy</p> <p>The SHA will refund the pet deposit to the resident, less the costs of any damages caused by the pet to the dwelling unit, within 30 days of move-out or removal of the pet from the unit.</p> <p>The resident will be billed for any amount that exceeds the pet deposit.</p> <p>The SHA will provide the resident with a written list of any charges against the pet deposit within 10 business days of the move-out inspection. If the resident disagrees with the amount charged to the pet deposit, the SHA will provide a meeting to discuss the charges.</p> <p>10-III.C. OTHER CHARGES</p>
Chapter 10: Pets	<p>10-II.C. NON-REFUNDABLE NOMINAL PET FEE</p> <p>PHAs may require payment of a non-refundable nominal pet fee to cover the reasonable operating costs to the development relating to the presence of pets [24 CFR 960.707(b)(1)].</p> <p>SHA Policy</p> <p>The SHA will charge a non-refundable nominal pet fee in the amount of \$10.00 monthly to offset additional maintenance costs.</p>	<p>10-II.C. NON-REFUNDABLE NOMINAL PET FEE</p> <p>PHAs may require payment of a non-refundable nominal pet fee to cover the reasonable operating costs to the development relating to the presence of pets [24 CFR 960.707(b)(1)].</p> <p>SHA Policy</p> <p>The SHA requires pet owners to pay a non-refundable nominal pet fee</p> <p>This fee is intended to cover the reasonable operating costs to the project relating to the presence of pets. Reasonable operating costs to the project relating to the presence of pets include, but are not limited to:</p> <p>Landscaping costs</p> <p>Pest control costs</p> <p>Insurance costs</p> <p>Clean-up costs</p> <p>The pet fee of \$10.00 will be billed on a monthly basis, and payment will be due 14 calendar days after billing.</p> <p>Charges for the non-refundable pet fee are not part of rent payable by the resident.</p>
Chapter 10: Pets	N/A	<p>SHA Policy</p> <p>A separate pet waste removal charge of \$20.00 per occurrence will be assessed against pet owners who fail to remove pet waste in accordance with this policy.</p> <p>Such charges will be due and payable 14 calendar days after billing.</p> <p>Charges for pet waste removal are not part of rent payable by the resident.</p>
Chapter 11: Community Service	<p>11-I.B. REQUIREMENTS</p> <p>Each adult resident of the PHA, who is not exempt, must [24 CFR 960.603(a)]:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Contribute 8 hours per month of community service; or <input type="checkbox"/> Participate in an economic self-sufficiency program (as defined in the regulations) for 8 hours per month; or <input type="checkbox"/> Perform 8 hours per month of combined activities (community service and economic self-sufficiency programs). 	<p>11-I.B. REQUIREMENTS</p> <p>Each adult resident of the PHA, who is not exempt, must [24 CFR 960.603(a)]:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Contribute 8 hours per month of community service; or <input type="checkbox"/> Participate in an economic self-sufficiency program (as defined in the regulations) for 8 hours per month; or <input type="checkbox"/> Perform 8 hours per month of combined activities (community service and economic self-sufficiency programs). <input type="checkbox"/> The required community service or self-sufficiency activity may be completed 8 hours each month or may be aggregated across a year. Any blocking of hours is acceptable as long as 96 hours is completed by each annual certification of compliance [Notice PIH 2015-12].

Chapter 11: Community Service	<p>Definitions Exempt Individual [24 CFR 960.601(b)] An exempt individual is an adult who:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Is age 62 years or older <input type="checkbox"/> Is blind or disabled (as defined under section 216(i)(1) or 1614 of the Social Security Act), and who certifies that because of this disability s/he is unable to comply with the service provisions <input type="checkbox"/> Is a primary caretaker of such an individual <input type="checkbox"/> Is engaged in work activities <p>SHA Policy The SHA will consider 25 hours per week as the minimum number of hours needed to qualify for a work activity exemption. The SHA will consider a combination of work activity and attendance in educational programs to qualify as an exemption.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Meets the requirements for being exempted from having to engage in a work activity under the state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the SHA is located, including a state-administered welfare-to-work program; or <input type="checkbox"/> Is in a family receiving assistance under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the SHA is located, including a state-administered welfare-to-work program, and has not been found by the state or other administering entity to be in noncompliance with such program. <p>Community Service [PH Occ GB, p. 174] Community service is volunteer work which includes, but is not limited to:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Work at a local institution including but not limited to: school, child care center, hospital, hospice, recreation center, senior center, adult day care center, homeless shelter, indigent feeding program, cooperative food bank, etc. <input type="checkbox"/> Work with a nonprofit organization that serves SHA residents or their children such as: Boy Scouts, Girl Scouts, Boys or Girls Clubs, 4-H programs, PAL, 	<p>Definitions Exempt Individual [24 CFR 960.601(b), Notice PIH 2015-12] An exempt individual is an adult who:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Is age 62 years or older <input type="checkbox"/> Is blind or disabled (as defined under section 216(i)(1) or 1614 of the Social Security Act), and who certifies that because of this disability s/he is unable to comply with the service provisions <input type="checkbox"/> Is a primary caretaker of such an individual <input type="checkbox"/> Is engaged in work activities <p>SHA Policy The SHA will consider 30 hours per week as the minimum number of hours needed to qualify for a work activity exemption.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Is able to meet the requirements of being exempted under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program; or <input type="checkbox"/> This exemption applies to anyone whose characteristics or family situation meet the welfare agency exemption criteria and can be verified. <input type="checkbox"/> Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has not been found by the state or other administering entity to be in noncompliance with such program. <p>Community Service [24 CFR 960.601(b), Notice PIH 2015-12] Community service is the performance of voluntary work or duties that are a public benefit and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities. Eligible community service activities include, but are not limited to, work at:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Local public or nonprofit institutions such as schools, head start programs, before or after school programs, child care centers, hospital, clinics, hospice, nursing homes , recreation centers, senior centers, adult day care programs, homeless shelters, feeding programs, food banks (distributing either donated or commodity foods), or
Chapter 11: Community Service	<p>Economic Self-Sufficiency Program [24 CFR 5.603(b)] For purposes of satisfying the community service requirement, an economic self-sufficiency program is defined by HUD as: Any program designed to encourage, assist, train, or facilitate economic independence of assisted families or to provide work for such families.</p> <p>These economic self-sufficiency programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeships (formal or informal), or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).</p>	<p>Economic Self-Sufficiency Program [24 CFR 5.603(b), Notice PIH 2015-12] For purposes of satisfying the community service requirement, an economic self-sufficiency program is defined by HUD as any program designed to encourage, assist, train, or facilitate economic independence of assisted families or to provide work for such families.</p> <p>Eligible self-sufficiency activities include, but are not limited to:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Job readiness or job training <input type="checkbox"/> Training programs through local one-stop career centers, workforce investment boards (local entities administered through the U.S. Department of Labor), or other training providers <input type="checkbox"/> Employment counseling, work placement, or basic skills training <input type="checkbox"/> Education, including higher education (junior college or college), GED classes, or reading, financial, or computer literacy classes <input type="checkbox"/> Apprenticeships (formal or informal) <input type="checkbox"/> English proficiency or English as a second language classes <input type="checkbox"/> Budgeting and credit counseling <input type="checkbox"/> Any other program necessary to ready a participant to work (such as substance abuse or mental health

Chapter 11: Community Service	<p>Notification Requirements [24 CFR 960.605(c)(2)]</p> <p>The SHA must give each family a written description of the community service requirement, the process for claiming status as an exempt person, and the process for SHA verification of exempt status. The SHA must also notify the family of its determination identifying the family members who are subject to the service requirement, and the family members who are exempt.</p> <p>SHA Policy</p> <p>Change in Status Between Annual Determinations: All changes in status must be reported by individuals through written request.</p> <p>The SHA will provide the family with a copy of the Community Service Policy found in Exhibit 11-1 of this chapter, at lease-up, lease renewal, when a family member is determined to be subject to the community service requirement during the lease term, and at any time upon the family's request.</p> <p>On an annual basis, at the time of lease renewal, the SHA will notify the family in writing of the family members who are subject to the community service requirement and the family members who are exempt. If the family includes non-exempt individuals the notice will include a list of agencies in the community that provide volunteer and/or training opportunities, as well as a documentation form on which they may record the activities they perform and the number of hours contributed. The form will also have a place for a signature by an appropriate official, who will certify to the activities and hours completed.</p>	<p>Notification Requirements [24 CFR 960.605(c)(2), Notice PIH 2015-12, Notice PIH 2016- 06]</p> <p>The PHA must give each family a written description of the community service requirement, the process for claiming status as an exempt person, and the process for PHA verification of exempt status. The PHA must also notify the family of its determination identifying the family members who are subject to the service requirement, and the family members who are exempt. In addition, the family must sign a certification, such as Attachment A of Notice PIH 2015-12, that they have received and read the policy and understand that if they are not exempt, failure to comply with the requirement will result in nonrenewal of their lease. The family must also sign a certification at annual reexamination, such as Attachment B of Notice PIH 2015-12, certifying that they understand the requirement.</p> <p>SHA Policy</p> <p>The SHA will provide the family with a copy of the Community Service Policy found in Exhibit 11-1 of this chapter, at lease-up, lease renewal, when a family member is determined to be subject to the community service requirement during the lease term, and at any time upon the family's request. The policy will notify the family that self-certification forms are subject to review by the SHA.</p> <p>On an annual basis, at the time of lease renewal, the SHA will notify the family in writing of the family members who are subject to the community service requirement and the family members who are exempt. If the family includes nonexempt individuals the notice will include a list of agencies in the community that provide volunteer and/or training opportunities, as well as a documentation form on which they may record the activities they perform and the number of hours contributed. The form will also have a place for a signature by an appropriate official, who will certify to the activities and hours completed.</p>
Chapter 11: Community Service	<p>11-I.E. NONCOMPLIANCE</p> <p>Initial Noncompliance</p> <p>The lease specifies that it is renewed automatically for all purposes, unless the family fails to comply with the community service requirement. Violation of the service requirement is grounds for nonrenewal of the lease at the end of the twelve month lease term, but not for termination of tenancy during the course of the twelve month lease term [24 CFR 960.603(b)].</p> <p>If the tenant or another family member has violated the community service requirement, the SHA may not renew the lease upon expiration of the twelve-month term of the lease, unless the tenant and any other noncompliant family member enter into a written agreement with the SHA. Under this agreement the tenant or noncompliant family member must agree to cure the noncompliance by completing the additional hours of community service or economic self-sufficiency needed to make up the total number of hours required, over the twelve-month term of the new lease. In addition, all other members of the family who are subject to the service requirement must be currently complying with the service requirement or must no longer be residing in the unit [24 CFR 960.607(c)].</p> <p>Notice of Initial Noncompliance [24 CFR 960.607(b)]</p> <p>If the SHA determines that there is a family member who is required to fulfill a service requirement, but who has failed to comply with this obligation (noncompliant resident), the SHA must notify the tenant of this determination. The notice to the tenant must briefly describe the noncompliance. The notice must state that the SHA will not renew the lease at the end of the twelve-month lease term unless the tenant, and any other noncompliant resident, enter into a written agreement with the SHA to cure the noncompliance, or the family provides written assurance satisfactory to the SHA that the tenant or other noncompliant resident no longer resides in the unit.</p> <p>The notice must also state that the tenant may request a grievance hearing on the SHA's determination, in accordance with the SHA's grievance procedures, and that the tenant may exercise any available judicial remedy to seek timely redress for</p>	<p>11-I.E. NONCOMPLIANCE</p> <p>Noncompliant Residents</p> <p>The lease specifies that it is renewed automatically for all purposes, unless the family fails to comply with the community service requirement. Violation of the service requirement is grounds for nonrenewal of the lease at the end of the twelve month lease term, but not for termination of tenancy during the course of the twelve month lease term [24 CFR 960.603(b)].</p> <p>PHAs may not evict a family due to CSSR noncompliance. However, if PHA finds a tenant is noncompliant with CSSR, the PHA must provide written notification to the tenant of the noncompliance which must include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> A brief description of the finding of non-compliance with CSSR. <input type="checkbox"/> A statement that the PHA will renew the lease at the end of the current 12-month lease term unless the tenant enters into , written work-out agreement with the PHA or the family provides written assurance that is satisfactory to the PHA explaining that the tenant or other noncompliant resident no longer resides in the unit. Such written work-out agreement must include the means through which a noncompliant family member will comply with the CSSR requirement [24 CFR 960.607(c), Notice PIH 2015-12]. <p>The notice must also state that the tenant may request a grievance hearing on the PHA's determination, in accordance with the PHA's grievance procedures, and that the tenant may exercise any available judicial remedy to seek timely redress for the PHA's nonrenewal of the lease because of the PHA's determination.</p> <p>SHA Policy</p> <p>The notice of noncompliance will be sent at least 45 days prior to the end of the lease term.</p> <p>The family will have 10 business days from the date of the notice of noncompliance to enter into a written work-out agreement to cure the noncompliance over the 12 month term of the new lease, provide documentation that the noncompliant resident no longer resides in the unit, or to request a grievance hearing.</p> <p>If the family reports that a noncompliant family member is no longer residing in the unit, the family must provide documentation that the family member has actually vacated the unit before the SHA will agree to continued occupancy of the family. Documentation must consist of a certification signed by the head of household as well as evidence of the current address of the family member that previously resided with them.</p> <p>If the family does not request a grievance hearing, or does not take either corrective action required by the</p>

Chapter 11: Community Service	<p>C. Requirements of the Program</p> <ol style="list-style-type: none"> 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 housing authority will make the determination of whether to allow or disallow a deviation from the schedule based on a family's written request. 3. Family obligation: <ul style="list-style-type: none"> • At lease execution, all adult members (18 or older) of a public housing resident family must: <ul style="list-style-type: none"> <input type="checkbox"/> 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 a nonrenewal of their lease; and <input type="checkbox"/> Declare if they are exempt. If exempt, they must complete the Exemption Form (Exhibit 11-3) and provide documentation of the exemption. • Upon written notice from the SHA, non-exempt family members must present complete documentation of activities performed during the applicable lease term. This documentation 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 the end of the 12-month lease term, he or she, and the head of household, will be required to sign an agreement with the housing authority to make up the deficient hours over the next twelve (12) month period, as a condition of continued occupancy. 4. Change in exempt status: <ul style="list-style-type: none"> • If, during the twelve (12) month lease period, a non-exempt person becomes exempt, it is his or her responsibility to report this to the SHA and provide documentation of exempt status. • If, during the twelve (12) month lease period, an exempt person becomes non-exempt, it is his or her responsibility to report this to the SHA. Upon receipt of this 	<p>C. Requirements of the Program</p> <ol style="list-style-type: none"> 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, or may be aggregated across a year. Any blocking of hours is acceptable as long as long as 96 hours is completed by each annual certification of compliance. 3. Family obligation: <ul style="list-style-type: none"> • At lease execution, all adult members (18 or older) of a public housing resident family must: <ul style="list-style-type: none"> <input type="checkbox"/> Sign a certification (Attachment A) 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 a nonrenewal of their lease; and <input type="checkbox"/> Declare if they are exempt. If exempt, they must complete the Exemption Form (Exhibit 11-3) and provide documentation of the exemption. • Upon written notice from the SHA, nonexempt family members must present complete documentation of activities performed during the applicable lease term. This documentation will include places for signatures of supervisors, instructors, or counselors, certifying the number of hours. • If a family member is found to be noncompliant at the end of the 12-month lease term, he or she, and the head of household, will be required to sign an agreement with the housing authority to make up the deficient hours over the next twelve (12) month period, or the lease will be terminated. • At annual reexamination, the family must also sign a certification certifying that they understand the community service requirement. 4. Change in exempt status: <ul style="list-style-type: none"> • If, during the twelve (12) month lease period, a nonexempt person becomes exempt, it is his or her responsibility to report this to the SHA and provide documentation of exempt status. • If, during the twelve (12) month lease period, an exempt person becomes nonexempt, it is his or her responsibility to report this to the SHA. Upon receipt of this information the SHA will provide the person with the appropriate documentation form(s) and a list of agencies in the community that provide volunteer and/or training opportunities.
Chapter 12: Transfer Policy	N/A	<p>Examples of such unit or building conditions would include: a gas leak, no heat in the building during the winter, no water, toxic contamination, and serious water leaks.</p> <p>A verified incident of domestic violence, dating violence, sexual assault, or stalking. For instances of domestic violence, dating violence, sexual assault, or stalking, the threat may be established through documentation outlined in section 16-VII.D, or by any proof accepted by the SHA.</p> <p>The SHA will immediately process requests for transfers due to domestic violence, dating violence, sexual assault, or stalking. The SHA will allow a tenant to make an internal emergency transfer under VAWA when a safe unit is immediately available. If an internal transfer to a safe unit is not immediately available, the SHA will assist the resident in seeking an external emergency transfer either within or outside the SHA's programs.</p> <p>The SHA has adopted an emergency transfer plan, which is included as Exhibit 16-3 to this plan.</p>
Chapter 13: Lease Terminations	<p>13-II.D. FAILURE TO PROVIDE SOCIAL SECURITY DOCUMENTATION [24 CFR 5.218(c) and 24 CFR 960.259(a)(3)]</p> <p>The SHA must terminate the lease if a resident family fails to provide the documentation or certification required for any family member who obtains a social security number, joins the family, or reaches 6 years of age. See Chapter 7 for a complete discussion of documentation and certification requirements.</p>	<p>13-II.D. FAILURE TO DISCLOSE AND DOCUMENT SOCIAL SECURITY NUMBERS [24 CFR 5.218(c), 24 CFR 960.259(a)(3), Notice PIH 2012-10]</p> <p>The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.</p> <p>However, if the family is otherwise eligible for continued program assistance, and the PHA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined the family to be noncompliant.</p> <p>SHA Policy</p> <p>The SHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.</p> <p>See Chapter 7 for a complete discussion of documentation and certification requirements.</p>

Chapter 13: Lease Terminations	N/A	<p>13-II.G. LIFETIME REGISTERED SEX OFFENDERS [Notice PIH 2012-28]</p> <p>Should a PHA discover that a member of an assisted household was subject to a lifetime registration requirement a admission and was erroneously admitted after June 25, 2001, the PHA must immediately terminate assistance for the household member.</p> <p>In this situation, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.</p>
Chapter 13: Lease Terminations	N/A	<p>13-II.I. DEATH OF A SOLE FAMILY MEMBER [Notice PIH 2012-4]</p> <p>The PHA must immediately terminate the lease following the death of the sole family member.</p>
Chapter 13: Lease Terminations	N/A	<p>A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.</p>
Chapter 13: Lease Terminations	<p>13-III.F. PROHIBITION AGAINST TERMINATING TENANCY OF VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND STALKING [24 CFR 5.2005]</p> <p>The Violence against Women Reauthorization Act of 2005 (VAWA), provides that “criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, shall not be cause for termination of the tenancy or occupancy rights, if the tenant or immediate family member of the tenant’s family is the victim or threatened victim of that abuse.”</p> <p>VAWA further provides that incidents of actual or threatened domestic violence, dating violence, or stalking may not be construed either as serious or repeated violations of the lease by the victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence.</p> <p>Definitions</p> <p>For the definitions of domestic violence, dating violence, stalking, and immediate family member, see section 3-III.F.</p> <p>VAWA and Other Laws [24 CFR 5.2009, 24 CFR 5.2005(d)]</p> <p>VAWA does not supersede any other federal, state, or local law that provides greater protection to victims of domestic violence, dating violence, or stalking. Moreover, VAWA does not limit the SHA’s duty to honor court orders issued to protect a victim or to address the distribution of property when a family breaks up.</p> <p>Limits on VAWA Protections [24 CFR 5.2005(b), 24 CFR 5.2005(e)]</p> <p>While VAWA prohibits a SHA from using domestic violence, dating violence, or stalking as the cause for a termination or eviction action against a public housing tenant who is the victim of the abuse, the protections it provides are not absolute. Specifically:</p> <ul style="list-style-type: none"> • VAWA does not limit a SHA’s otherwise available authority to terminate assistance to or evict a victim for lease violations not premised on an act of domestic violence, dating violence, or stalking providing that the SHA does not subject the victim to a more demanding standard than other tenants. 	<p>13-III.F. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING</p> <p>This section addresses the protections against termination of tenancy that the Violence against Women Act of 2013 (VAWA) provides for public housing residents who are victims of domestic violence, dating violence, sexual assault, or stalking. For general VAWA requirements and PHA policies pertaining to notification, documentation, and confidentiality, see section 16-VII of this ACOP, where definitions of key VAWA terms are also located.</p> <p>VAWA Protections against Termination [24 CFR 5.2005(c)]</p> <p>VAWA provides that no person may deny assistance, tenancy, or occupancy rights to public housing to a tenant solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of the household of the tenant or any guest or other person under the control of the tenant, if the tenant or affiliated individual is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking [FR Notice 8/6/13]..</p> <p>VAWA further provides that incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed either as serious or repeated violations of the lease by the victim or threatened victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence [24 CFR 5.2005(c)(1), FR Notice 8/6/13].</p> <p>Limits on VAWA Protections [24 CFR 5.2005(d) and (e), FR Notice 8/6/13]</p> <p>While VAWA prohibits a PHA from using domestic violence, dating violence, sexual assault, or stalking as the cause for a termination or eviction action against a public housing tenant who is the victim of the abuse, the protections it provides are not absolute. Specifically:</p> <ul style="list-style-type: none"> • VAWA does not limit a PHA’s otherwise available authority to terminate assistance to or evict a victim for lease violations not premised on an act of domestic violence, dating violence, sexual assault, or stalking providing that the PHA does not subject the victim to a more demanding standard than the standard to which it holds other tenants. • VAWA does not limit a PHA’s authority to terminate the tenancy of any public housing tenant if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant’s tenancy is not terminated. <p>HUD regulations define actual and imminent threat to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)]. In determining whether an individual would pose an actual and serious bodily harm [24 CFR 5.2005(d)(2) and (e)].</p> <p>When denying eligibility for admission, the PHA must provide the family a notice of VAWA rights as well as the HUD VAWA self-certification form (form HUD-5382) in accordance with the Violence against Women Reauthorization Act of 2013, and as outlined in 16-VII.C. The notice and self-certification form must accompany the written notification of the denial of eligibility determination</p> <p>Scheduling an Informal Hearing</p> <p>SHA Policy</p> <p>A request for an informal hearing must be made in writing and delivered to the SHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of the SHA’s notification of denial of admission.</p> <p>Except as provided in Section 3-III.F, the SHA will schedule and send written notice of the informal hearing within 10 calendar days of the family’s request.</p>
Chapter 14: Grievances and Appeals	N/A	
Chapter 14: Grievances and Appeals	<p>Scheduling an Informal Hearing</p> <p>SHA Policy</p> <p>A request for an informal hearing must be made in writing and delivered to the SHA either in person or by first class mail, by the close of the business day, no later than 10 calendar days from the date of the SHA’s notification of denial of admission.</p> <p>Except as provided in Section 3-III.F, the SHA will schedule and send written notice of the informal hearing within 10 calendar days of the family’s request.</p>	<p>SHA Policy</p> <p>A request for an informal hearing must be made in writing and delivered to the SHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of the SHA’s notification of denial of admission.</p> <p>The SHA will schedule and send written notice of the informal hearing within 10 business days of the family’s request.</p>

Chapter 14: Grievances and Appeals

Conducting an Informal Hearing [PH Occ GB, p. 58]

SHA Policy

The informal hearing will be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

The applicant will be provided an opportunity to present written or oral objections to the decision of the SHA.

The person conducting the informal hearing will make a recommendation to the SHA, but the SHA is responsible for making the final decision as to whether admission should be granted or denied.

Conducting an Informal Hearing [PH Occ GB, p. 58]

SHA Policy

The informal hearing will be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

The applicant will be provided an opportunity to present written or oral objections to the decision of the SHA.

The person conducting the informal hearing will make a recommendation to the SHA, but the SHA is responsible for making the final decision as to whether admission should be granted or denied.

The SHA may choose to utilize a panel of distinguished community leaders to also conduct hearings.

Chapter 14: Grievances and Appeals

N/A

- Expedited Grievance – a procedure established by the PHA for any grievance or termination that involves:

- ☐ Any criminal activity that threatens the health, safety, or right to peaceful enjoyment or the PHA's public housing premises by other residents or employees of the PHA; or
- ☐ Any drug-related criminal activity on or off the premises

- Hearing Officer/Panel – a person/panel selected in accordance with HUD regulations to hear grievances and render a decision with respect thereto

14-III.F. SELECTION OF HEARING OFFICER/PANEL [24 CFR 966.55(b)]

The grievance hearing must be conducted by an impartial person or persons appointed by the SHA, other than the person who made or approved the SHA action under review, or a subordinate of such person.

SHA Policy

SHA grievance hearings will be conducted by a single hearing officer and not a panel. The SHA has designated the following to serve as hearing officers:

Any SHA Senior Management Team Member who was not involved in making the decision being grieved, and who was not a subordinate of anyone involved in making the decision being grieved.

- Hearing Officer/Panel – an impartial person or persons selected by the PHA, other than the person who made or approved the decision under review, or a subordinate of that person. The individual or individuals do not need legal training.

14-III.F. SELECTION OF HEARING OFFICER/PANEL [24 CFR 966.53(e)]

The grievance hearing must be conducted by an impartial person or persons appointed by the PHA, other than the person who made or approved the PHA action under review, or a subordinate of such person. The PHA must describe their policies for selection of a hearing officer in their lease.

SHA Policy

SHA grievance hearings may be conducted by a single hearing officer or a panel of distinguished community leaders. Efforts will be made to assure that the person selected is not a friend, nor enemy, of the complainant and that they do not have a personal stake in the matter under dispute or will otherwise have an appearance of a lack of impartiality.

PHAs must describe their policies for selection of a hearing officer in their lease forms. Changes to the public housing lease are subject to a 30-day comment period (24 CFR 966.4)

The SHA must determine the methodology for appointment of the hearing officer and it must be stated in the grievance procedure.

SHA Policy

The SHA will appoint a person who has been selected in the manner required under the grievance procedure. Efforts will be made to assure that the person selected is not a friend, nor enemy, of the complainant and that they do not have a personal stake in the matter under dispute or will otherwise have an appearance of a lack of impartiality.

The SHA must consult with resident organizations before a person is appointed as a hearing officer or hearing panel member. Comments from the resident organizations must be considered before making the appointment.

Chapter 15: Program Integrity

N/A

HUD created the Enterprise Income Verification (EIV) system to provide PHAs with a powerful tool for preventing errors and program abuse. PHAs are required to use the EIV system in its entirety in accordance with HUD administrative guidance [24 CFR 5.233]. PHAs are further required to:

- Provide applicants and residents with form HUD-52675, "Debts Owed to PHAs and Terminations"
- Require all adult members of an applicant or participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file

Chapter 16: Program Administration

16-II.B. FLAT RENTS [24 CFR 960.253(b)]

Establishing Flat Rents

Flat rents for public housing units are based on the market rent charged for comparable units in the private unassisted rental market. The flat rent should be equal to the estimated rent for which the SHA could promptly lease the public housing unit after preparation for occupancy.

The SHA must use a reasonable method to determine flat rents. In determining flat rents, PHAs must consider the following:

- Location
- Quality
- Unit size
- Unit type
- Age of property
- Amenities at the property and in immediate neighborhood
- Housing services provided
- Maintenance provided by the SHA
- Utilities provided by the SHA

Review of Flat Rents

The SHA must ensure that flat rents continue to mirror market rent values [24 CFR 960.253(b)].

SHA Policy

The SHA will review flat rents on an annual basis, and adjust them as necessary to ensure that flat rents continue to mirror market rent values.

16-II.B. FLAT RENTS [24 CFR 960.253(b) and Notice PIH 2015-13]]

Establishing Flat Rents

The 2015 Appropriations Act requires that flat rents must be set at no less than 80 percent of the applicable fair market rent (FMR). Alternatively, the PHA may set flat rents at no less than 80 percent of the applicable small area FMR(SAFMR) for metropolitan areas, or 80 percent of the applicable unadjusted rents for nonmetropolitan areas.

For areas where HUD has not determined a SAFMR or an unadjusted rent, PHAs must set flat rents at no less than 80 percent of the FMR or apply for an exception flat rent.

The 2015 Appropriations Act permits PHAs to request an exception flat rent that is lower than either 80 percent of the FMR or SAFMR/unadjusted rent if the PHA can demonstrate that these FMRs do not reflect the market value of a particular property or unit.

In order to demonstrate the need for an exception flat rent, PHAs are required to submit a market analysis methodology that demonstrates the value of the unit. The PHA must use HUD's rent reasonableness methodology to determine flat rents. In determining flat rents, the PHAs must consider the following:

- Location
- Quality
- Unit size
- Unit type
- Age of property
- Amenities at the property and in immediate neighborhood
- Housing services provided
- Maintenance provided by the PHA
- Utilities provided by the PHA

PHAs must describe their policies for selection of a hearing officer in their lease forms. Changes to the public housing lease are subject to a 30-day comment period (24 CFR 966.4)

Review of Flat Rents

No later than 90 days after HUD publishes new annual FMRs/SAFMRs/unadjusted rent, PHAs must revise flat rents as necessary based changes to the FMR/SAFMR/unadjusted rent. The PHA must offer changes to the flat rent to all new admissions and to existing families at the next annual rent option.

If the FMR falls from year to year, the PHA may, but is not required to, lower the flat rent to 80 percent of the current FMR/SAFMR/unadjusted rent.

N/A

Chapter 16: Program Administration

16-II.C. PUBLIC HOUSING MAXIMUM RENTS

Establishing Public Housing Maximum Rents

PHAs are prohibited from making financial assistance available to persons who are not citizens or nationals of the United States, and to those who do not have eligible immigration status [24 CFR 5.500]. Therefore, in order to assist mixed families, PHAs must prorate assistance. Public housing maximum rents are needed in order to calculate the tenant rent for a mixed family.

The public housing maximum rent is based on value of the 95th percentile of the total tenant payment (TTP) for each tenant within the SHA. PHAs may calculate a maximum rent on either a SHA- or project wide basis. A separate maximum rent can be provided for each separate project or projects may be combined into logical groups, if appropriate. HUD recommends that a single project basis be avoided for a project unless at least 50 dwelling units are involved.

PHAs may use the “direct comparison” or the “unit distribution” method for establishing the public housing maximum rents for each unit size. Appendix H, of Guidebook 7465.G, Restrictions on Assistance to Noncitizens provides detailed guidance on how to establish public housing maximum rents using the methodologies identified above.

Review of Public Housing Maximum Rents

SHA Policy

The SHA will recalculate the public housing maximum rents on an annual basis.

Posting of Public Housing Maximum Rents

SHA Policy

The SHA will publicly post the schedule of public housing maximum rents in a conspicuous manner in the applicable SHA or project office.

Documentation of Public Housing Maximum Rents

SHA Policy

The SHA will maintain records that document how the SHA determined the 95th percentile of TTP, whether the maximum rent was determined SHA-wide, project-wide, or with groupings of projects, and the methodology used to determine

Chapter 16: Program Administration

SHA Policy
SHA will not enter into a payment agreement with a family for any amount over \$2500
Amounts above \$2,500 will be referred to the Office of Inspector General for criminal prosecution.
Amounts between \$1,000 and \$2,500 must be repaid within 18 months.
Amounts between \$501 and \$1,000 must be repaid within 10 months.
Amounts from \$1 and \$500 must be repaid within 12 months.

Notice PIH 2010-19 recommends that the total amount that a family must pay each month—the family’s monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family’s monthly adjusted income, which is considered “affordable.” Moreover, Notice PIH 2010-19 acknowledges that PHAs have the discretion to establish “thresholds and policies” for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

SHA Policy
If a family is paying less than 40 percent of its monthly adjusted income (MAI) in rent, the minimum monthly payment amount will be the greater of the following two amounts:
The difference between 40 percent of the family’s MAI and the TTP at the time the agreement is executed \$25
If a family can provide evidence satisfactory to the SHA that a monthly payment amount of \$25 would impose an undue hardship, the SHA may, in its sole discretion, require a lower monthly payment amount.
If the family’s income increases or decreases during the term of a repayment agreement, either the SHA or the family may request that the monthly payment amount be adjusted accordingly.

Chapter 16: Program Administration

N/A

Repayment Agreements Involving Improper Payments
Notice PIH 2010-19 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:
• A reference to the items in the public housing lease that state the family’s obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family’s action or failure to act
• A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the PHA the monthly tenant rent
• A statement that the terms of the repayment agreement may be renegotiated if the family’s income decreases or increases
• A statement that late or missed payments constitute default of the repayment agreement and may result in termination of tenancy

Chapter 16: Program Administration

16-IV.A. OVERVIEW
The purpose of the Public Housing Assessment System (PHAS) is to improve the delivery of services in public housing and enhance trust in the public housing system among PHAs, public housing residents, HUD and the general public by providing a management tool for effectively and fairly measuring the performance of a public housing agency in essential housing operations.
16-IV.B. PHAS INDICATORS [24 CFR 902 Subparts A, B, C, D, and E]
The table below lists each of the PHAS indicators, the points possible under each indicator, and a brief description of each indicator. A PHA’s performance is based on a combination of all four indicators.
Indicator 1: Physical condition of the SHA’s properties
Maximum Score: 30
• The objective of this indicator is to determine the level to which a SHA is maintaining its public housing in accordance with the standard of decent, safe, sanitary, and in good repair.
• To determine the physical condition of SHA’s properties, inspections are performed of the following five major areas of public housing: site, building exterior, building systems, dwelling units, and common areas. The inspections are performed by an independent inspector arranged by HUD, and include a statistically valid sample of the units in the SHA’s public housing portfolio.
Indicator 2: Financial condition of a SHA
Maximum Score: 30
• The objective of this indicator is to measure the financial condition of a SHA for the purpose of evaluating whether it has sufficient financial resources and is capable of managing those financial resources effectively to support the provision of housing that is decent, safe, sanitary, and in good repair.
• SHA’s financial condition is determined by measuring the SHA’s entity-wide performance in each of the following components: current ratio, number of months expendable fund balance, tenant receivable outstanding, occupancy loss, expense management/utility consumption, and net income or loss divided by the expendable

16-IV.A. OVERVIEW
The purpose of the Public Housing Assessment System (PHAS) is to improve the delivery of services in public housing and enhance trust in the public housing system among PHAs, public housing residents, HUD and the general public by providing a management tool for effectively and fairly measuring the performance of a public housing agency in essential housing operations.
16-IV.B. PHAS INDICATORS [24 CFR 902 Subparts A, B, C, D, and E]
The table below lists each of the PHAS indicators, the points possible under each indicator, and a brief description of each indicator. A PHA’s performance is based on a combination of all four indicators.
Indicator 1: Physical condition of the PHA’s projects
Maximum Score: 40
• The objective of this indicator is to determine the level to which a PHA is maintaining its public housing in accordance with the standard of decent, safe, sanitary, and in good repair.
• To determine the physical condition of a PHA’s projects, inspections are performed of the following five major areas of each public housing project: site, building exterior, building systems, dwelling units, and common areas. The inspections are performed by an independent inspector arranged by HUD, and include a statistically valid sample of the units in each project in the PHA’s public housing portfolio.
Indicator 2: Financial condition of the PHA’s projects
Maximum Score: 25
• The objective of this indicator is to measure the financial condition of the PHA’s public housing projects for the purpose of evaluating whether the PHA has sufficient financial resources and is capable of managing those financial resources effectively to support the provision of housing that is decent, safe, sanitary, and in good repair.
• A PHA’s financial condition is determined by measuring each public housing project’s performance in each of the following subindicators: quick ratio, months expendable net assets ratio, and debt service coverage ratio.
Indicator 3: Management operations of the PHA’s projects
Maximum Score: 25
• The objective of this indicator is to measure certain key management operations and responsibilities of a PHA’s projects for the purpose of assessing the PHA’s management operations capabilities.
• Each project’s management operations are assessed based on the following sub-indicators: occupancy, tenant

PART VII: NOTIFICATION TO APPLICANTS AND TENANTS
REGARDING PROTECTIONS UNDER THE VIOLENCE AGAINST WOMEN
REAUTHORIZATION ACT OF 2005 (VAWA)

16-VII.A. OVERVIEW

The Violence against Women Reauthorization Act of 2005 (VAWA) requires PHAs to inform public housing tenants of their rights under this law, including their right to confidentiality and the limits thereof. Since VAWA provides protections for applicants as well as tenants, PHAs may elect to provide the same information to applicants [24 CFR 5.2007(3)].

This part describes the steps that the SHA will take to ensure that all actual and potential beneficiaries of its public housing program are notified about their rights under VAWA.

16-VII.B. VAWA NOTIFICATION

SHA Policy

The SHA will post the following information regarding VAWA in its offices and on its Web site. It will also make the information readily available to anyone who requests it.

A summary of the rights and protections provided by VAWA to public housing applicants and residents who are or have been victims of domestic violence, dating violence, or stalking (see sample notice in Exhibit 16-1)

The definitions of domestic violence, dating violence, and stalking provided in VAWA (included in Exhibit 16-1)

An explanation of the documentation that the SHA may require from an individual who claims the protections provided by VAWA (included in Exhibit 16-1)

A copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, or Stalking

A statement of the SHA's obligation to keep confidential any information that it receives from a victim unless (a) the SHA has the victim's written permission to release the information, (b) it needs to use the information in an eviction

PART VII: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, AND
CONFIDENTIALITY

16-VII.A. OVERVIEW

The Violence against Women Reauthorization Act of 2013 (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault, and stalking who are applying for or receiving assistance under the public housing program. If your state or local laws provide greater protection for such victims, those apply in conjunction with VAWA.

In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and PHA policies in three areas: notification, documentation, and confidentiality. Specific VAWA requirements and PHA policies are located in Chapter 3, "Eligibility" (sections 3-I.C and 3-III.F); Chapter 5, "Occupancy Standards and Unit Offers" (section 5-II.D); Chapter 8, "Leasing and Inspections" (section 8-I.B); Chapter 12, "Transfer Policy" (sections 12-III.C, 12-III.F, and 12-IV.D); and Chapter 13, "Lease Terminations" (sections 13-III.F and 13-IV.D).

16-VII.B. DEFINITIONS [24 CFR 5.2003, FR Notice 8/6/13]

As used in VAWA:

- The term affiliated individual means, with respect to a person:

- A spouse, parent, brother or sister, or child of that individual, or an individual to whom that person stands in the position or place of a parent; or

- Any individual, tenant or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.

- The term bifurcate means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

- The term dating violence means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship

- The type of relationship

- The frequency of interaction between the persons involved in the relationship

- The term domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person

RESOLUTION NO. 2018-29

**ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY**

June 26, 2018

Staff recommends adoption of Resolution No. 2018-29, authorizing the CEO to approve and adopt the updated SHA Admissions and Continued Occupancy Policy.

Charles White, CHAIR

ATTEST:

SECRETARY

FOR CLERK USE ONLY

RESOLUTION NO. _____2018-29

DATE ADOPTED: June 26, 2018



Action Items & Resolution 2018-30

Approval of Annual and Five Year Plan

**Board of Commissioners Meeting
Tuesday, June 26, 2018**



June 26, 2018

**The Housing Authority of the City of Spartanburg
Spartanburg, SC 29302**

HONORABLE MEMBERS IN SESSION:

SUBJECT:

**Approval of Annual and Five-Year Plan
Resolution 2018-30**

RECOMMENDATION:

Authorize the CEO to approve and adopt the PHA plan, Public Housing Lease and Community Rules and HCV Administrative Plan and ACOP, all of which were made available during the public comment period. Upon approval and execution of all appropriate documents the CEO will submit the plan, as required, to HUD by the July 17, 2018.

CONTACT PERSON:

Terril Bates
CEO

864-598-6010

SUMMARY:

PHAs must update the 5-year plan and submit an Annual Plan for the year that Capital Funds will be utilized. The plan is prepared by staff and provided to the Resident Advisory Board as well as to the public through public notice and public hearing. A Resident Advisory Board Meeting was held on Thursday, April 26, 2018 and a Public Hearing was held on June 15, 2018. Comments from both have been incorporated into the Annual Plan Submission. The plan identifies what projects SHA will complete with Capital Grant funds for the next year and provides a 5-Year plan for the next five years. In addition, the plan includes changes to the Public Housing Lease and Community Rules and HCV Administrative Plan. The plan allows for changes to the ACOP, which will be incorporated in the coming months.

FINANCIAL CONSIDERATIONS:

Plan incorporates 2018 Capital Funding, 2018 Replacement Housing Factor funding, status reports on all open Capital Fund programs and the 5-Year Plan for Capital Funds.

POLICY CONSIDERATIONS:

Plan was completed and provided for review in accordance with HUD regulations.

Respectfully Submitted, _____

Terril Bates, CEO
The Housing Authority of the City of Spartanburg

Annual PHA Plan <i>(Standard PHAs and Troubled PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 02/29/2016
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services. The plans informs HUD, families served by the PHA, and members of the public of the PHA’s mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Applicability. Form HUD-50075-ST is to be completed annually by **STANDARD PHAs** or **TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing Asset Management units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.																														
A.1	<p>PHA Name: <u>The Housing Authority of the City of Spartanburg</u> PHA Code: <u>SC003</u> PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>10/2017-2019</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units <u>720</u> Number of Housing Choice Vouchers (HCVs) <u>2,290</u> Total Combined Units/Vouchers <u>3,010</u> PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. PHAs must have the elements listed below in sections B and C readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.</p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)</p> <table><tr><th rowspan="2">Participating PHAs</th><th rowspan="2">PHA Code</th><th rowspan="2">Program(s) in the Consortia</th><th rowspan="2">Program(s) not in the Consortia</th><th colspan="2">No. of Units in Each Program</th></tr><tr><th>PH</th><th>HCV</th></tr><tr><td>Lead PHA:</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>					Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:																	
Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program																											
				PH	HCV																										
Lead PHA:																															
B.	Annual Plan Elements																														

B.1 Revision of PHA Plan Elements.

(a) Have the following PHA Plan elements been revised by the PHA?

- Y N
- ☐ ☒ Statement of Housing Needs and Strategy for Addressing Housing Needs
- ☒ ☐ Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
- ☐ ☒ Financial Resources.
- ☐ ☒ Rent Determination.
- ☐ ☒ Operation and Management.
- ☐ ☒ Grievance Procedures.
- ☐ ☒ Homeownership Programs.
- ☐ ☒ Community Service and Self-Sufficiency Programs.
- ☐ ☒ Safety and Crime Prevention.
- ☐ ☒ Pet Policy.
- ☐ ☒ Asset Management.
- ☐ ☒ Substantial Deviation. Need to review (review HUD's definition)
- ☐ ☒ Significant Amendment/Modification

Statement of Housing Needs and Strategy for Addressing Housing Needs

The Spartanburg Housing Authority (SHA) strives to assist in addressing the needs of low-income, very low-income and extremely low-income families in the City of Spartanburg and Spartanburg County. SHA does this through its ~~Asset Management~~ Asset Management Program, Housing Choice Voucher (HCV) Program, Mod Rehab Program, and other Affordable / Moderate Income Programs and HUD's Rental Assistance Demonstration (RAD) program.

There continues to be a need for affordable housing programs provided by the PHA as evidenced by occupancy rates in assisted housing as well as by response to wait list openings for Public Housing, HCV HCV and Affordable Housing within the jurisdiction.

SHA serves over 3,661 families under its various housing programs (See Table 1 below):

Table 1

Housing Programs	Units	Vouchers
Public Housing	720	
Housing Choice Voucher (HCV) HCV (Voucher Program)		1,952
Mod Rehab		226
Affordable/Moderate Income	424	338
Total	1,144	2,516

Families served are within the maximum income limit of the 80% median family income for Spartanburg County. Rent payments are based on adjusted annual income. There are currently waiting lists for admission. (See Table 2)

Table 2

Waiting List by Program	
Asset Management	137 74,231
HCV	741 1764
Mod Rehab	203
Project Base	263 6
Affordable/Moderate Income	1415
RAD	367 5128
Total	3946 12,577

The 20176 Median Income for the Spartanburg, SC MSA is \$52,7900. Income Limits are based on the family size or number of persons in the family. ~~The average~~Forty-one percent of SHA household consists of ~~three members, a parent and two children~~one member only. Thirty percent of area median income limit (AMI) in the Spartanburg, SC, MSA (Metropolitan Statistical Area) for a family with three is \$20,090420. ~~Asset Management~~Ninety three percent of families in the

Asset Management programs fall below this limit. The Housing Choice Voucher (HCV) participants are at 8274% AMI. The Mod Rehab program participants are at 99400% of AMI other Affordable Housing Programs in Spartanburg are at 85.3% AMI.

In 2016, SHA opened the HCV waiting list to elderly and disabled households only. SHA may open the HCV waiting list to general populations in 2017. In 2017, SHA opened the HCV waiting list to families who met the definition of the working preference only. Families were placed on the list utilizing a lottery drawing system.

Households of various races and ethnic groups of families on our waiting lists for Asset Management account as 17.328.86% White, 7064.34% Black, 4.49% Asian, and 11.66.3% Hispanic. Housing Choice Voucher (HCV) Program waiting lists total as 18.13% White, 76.868.6% Black, .93% Asian, and 8.23.9% Hispanic and other 4.2%. Finally for our other Affordable Housing Programs, those families on the waiting lists amount to 13.5% White, 73% Black, 1.2% Asian, and 12.3% Hispanic.

Affordability

Like many South Carolina communities, affordability is by far the largest housing problem in Spartanburg. The most recent Census estimates show 45.7% of renters and 23.2% of homeowners pay more than 30% of their income on housing costs (2015 American Community Survey).

Supply

As of February 20172018, there were 4.02812.577... household people on the Spartanburg Housing Authority's waiting lists. There is a significantly high unmet demand for assisted housing in Spartanburg. Current funding levels simply do not allow supply to meet the demand.

Quality

Quality affordable units that are both decent and safe are needed throughout the jurisdiction.

Accessibility

SHA complies with exceeds the Americans with Disabilities Act (ADA) requirements by having 5% of its housing stock meet the accessibility requirements.

Size of Units

SHA's Asset Management units are comprised of various sizes and types of units which include duplexes, garden style apartments, and townhouses, and high-rise apartments and ranges from efficiencies to five bedrooms.

Location

Factors that must be considered in developing housing include location, services, amenities, proximity to health care, shopping, affordability, transportation and schools.

Strategies for Addressing the Housing Needs

1. SHA intends to maintain the availability of decent, safe and affordable housing needs by:
 - a. One for one replacements of units repositioned due to RAD.

- b. Leveraging private or other public funds as available to create additional affordable housing opportunities by:
 - i. Continue to support and to seek partnerships and alliances with non-profit and for-profit developers
 - ii. Identify opportunities, Low-Income Housing Tax Credits (LIHTC) RAD, Project-Based Vouchers, HOME or other grants supporting rehabilitation or development
 - iii. Consider utilizing bonding capacity
- c. Utilize Demolition or Disposition Transitional Funding (formerly Replacement Housing Factor Funds) and or development fees as available.
- d. Review opportunities to acquire or build units or developments.
- ~~e.~~ Use LIHTC program (both 4% & 9% credits) when available to rehabilitate existing, and or to construct new, affordable rental property, and Asset Management units where applicable.
- ~~f.e.~~ Support efforts by the City of Spartanburg and the Highland Community in the development of a Master Plan for Highland Area.
- ~~g.f.~~ Maintain a minimum of 98% occupancy rate. Maintain vacant unit turnover time at or below 20 days.
- h. Improve housing management monitoring and internal reporting tools. Maintain a high level of accountability, while implementing timely tracking, scheduling, and follow-up for rent collection efforts, vacancy turnover management, and new leases.

2. Review applications for additional vouchers through the NOFA process.

- a. The Housing Choice Voucher (HCV) HCV Program ~~may~~ issued an RFP for project based vouchers, or will utilize PBV's in accordance with RAD guidance in an effort to support the increase of affordable assisted housing within the community. HCV will review published NOFAs to determine eligibility and capacity.

The City's Consolidated Plan reflects a lack of affordable housing as a potential barrier. SHA will enter into a MOU with the City of Spartanburg and the County of Spartanburg to address the HUD, Affirmately Furthering Fair Housing protocol, if implemented by HUD. SHA participates in the United Way, Financial Stability and Housing Task Force, and continues to work with community partners to identify and address issues involving affordable housing. SHA will seek replacement of Asset Management units lost to the inventory through demolition, mixed finance development, and Housing Choice Voucher (HCV) ~~HCV~~ replacement housing resources. SHA will market the Housing Choice Voucher (HCV) ~~HCV~~ program among owners, particularly those outside of areas of minority and poverty concentration.

Homeownership

SHA will review request by public housing residents occupying single family homes who wish to purchase. This option will no longer be available once the units have converted to RAD. The HCV program will continue to support homeownership utilizing the HCV vouchers. continue to utilize its HUD approved Section 32 Homeownership Plan to increase homeownership opportunities. It is expected that over the next two years all of the homes in the plan will transition to RAD. SHA will review regulatory issues with HUD in the administration of a plan in conjunction with NACA. After HUD review, SHA may pilot this program with up to 250 HCV's. SHA will support HCV participants who wish to use the NACA program as a path to homeownership.

Deconcentration and Other Policies that Govern Eligibility, Selection, and

Admissions

PHA Policies Governing Eligibility, Selection, Admissions Policy, including De-concentration and Wait List Procedures. [24 CFR Part 903.7 (b)]

The following eligibility requirements apply to applicant families seeking Asset Management and HCV assistance:

1. A family as defined by HUD and the SHA:
 - a. Heads of household where at least one member of the household is either a citizen or eligible non-citizen. (24 CFR Part 5, Subpart E).
 - b. Has an Annual Income at the time of admission that does not exceed the low-income limit for occupancy established by HUD and posted separately in the SHA offices.
 - c. Provides a Social Security number for all family members, age 6 or older, or will provide written certification that they do not have Social Security numbers;
 - d. Meets or exceeds the tenant Selection and Suitability Criteria as set forth in this policy.
2. All applicants will be processed in accordance with HUD's regulations (24 CFR Part 960) and sound management practices. Applicants will be required to demonstrate ability to comply with essential provisions of the lease or program requirements.
3. SHA will permanently deny admission to ~~Asset Management~~ lifetime sex offenders and persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds. SHA will not waive this requirement.
4. SHA will make unit offers based on time and date of application, needed bedroom size, and any local preferences. Two offers are made based on unit availability. The HCV programs selects applicants based on a lottery system.
5. SHA purges its waiting list through ~~public notices and~~ letters to applicants every ~~two years~~. Applicants must then login to their portal to declare their status within 30 days.
6. SHA will consider mitigating circumstance when considering denial of assistance based on criminal activity.

Implementation of the following activities will assist the residents agency in increasing their income levels. This will potentially impact those ~~of~~ families currently residing in communities with a concentration of poverty, as well as helping residents overcome the barriers of transportation, education and child care.

1. SHA is administering its Family Self-sufficiency Program as a tool for assisting residents and participants in increas~~ing~~ their wage earning capacity.
2. SHA will continue to administer ROSS grants promoting job training and employment opportunities to families residing in Asset Management properties through our Connections Program. Other grants assist senior and disabled residents to live ~~longer and~~ more independently in assisted units.

3. ~~SHA has administered a CSS program component designed to foster Job Readiness and Training, Case Management and Referrals, Counseling and Job Placement.~~

3.4. ~~SHA is in it's final year of administering it's current YouthBuild Program, funded by the Department of Labor. SHA will continue follow up services for YouthBuild graduatesexited students consistent with DOL follow up procedures.~~

SHA will comply with HUD regulations concerning income mixing in Asset Management properties.

4.5. Preferences have been implemented for homeless and veterans. The preference will permit homeless veterans to receive additional points when waitlists are open. SHA's HCV program is currently administering a TBRA (tenant based rental assistance program) which provides rental assistance to homeless veterans. Two Hundred Thousand dollars have been provided by HOME funds, through the County of Spartanburg. Approximately 12-15 veterans will be served in unincorporated areas of the county. ~~SHA has expended \$37,534 of these funds and assisted a total of 9 veterans. SHA will also receive additional funds (\$200,000) from Spartanburg Count to admister a second TBRA program to assist families that are elderly, disable or working.~~

5.6. ~~SHA will seek replacement of Asset Management units lost to the inventory through demolition, mixed finance development, and Housing Choice Voucher (HCV) HCV replacement housing resources. SHA will market the Housing Choice Voucher (HCV) HCV-program among owners, particularly those outside of areas of minority and poverty concentration.~~

Financial Resources

FEDERAL FUNDS		2019
Low Rent Asset Management Operating fund		1,471,200
Capital Fund Program		3,547,655
Resident Opportunities and Self Sufficiency		188,431
Housing Choice Voucher		12,534,925
New Construction S/R HCV Programs (Cluster)		487,000
Moderate Rehabilitation Program (Cluster)		1,601,712
Multifamily Housing Elderly Service Coordinators		74,260
YouthBuild Program		114,000
Total Federal Grants		20,019,183
OTHER INCOME		
Dwelling Rents		1,712,285
Late Charges, Court Fees, Maintenance		143,669
Gain on disposition of assets		0
Other income		650,000

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TOTAL RESOURCES	22,525,137
FEDERAL FUNDS	2016
Low Rent Asset Management- Operating fund	3,382,102
Capital Fund Program	1,397,188.93
Resident Opportunities and Self Sufficiency	251,690
Housing Choice Voucher	10,467,607
New Construction S/R HCV Programs (Cluster)	497,366
Moderate Rehabilitation Program (Cluster)	1,751,371
Multifamily Housing Elderly Service Coordinators	71,365
Special Allocation— Vocational Funds (SC state pass-through)	102,997
CDBG Funds (pass-through from City of Spartanburg)	9,219
HOME Funds (pass-through from City of Spartanburg)	677,397
YouthBuild Program	559,562
Total Federal Grants	21,110,606
OTHER INCOME	
Dwelling Rents	1,741,706
Late Charges, Court Fees, Maintenance	152,953
Gain on disposition of assets	(4,507,325)
Other income	4,087,551
TOTAL RESOURCES	22,585,491

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Operating Subsidy and Capital Fund Program (PIH 2018-03)

SHA will utilize twenty percent of the PHA wide Operating Subsidy for CFP activities for Calendar Year (CY) 2019. SHA intends to utilize the twenty percent in accordance with PIH Notice 2018-03. SHA intends to utilize \$367,693 of the CY 2019 operating subsidy for CY 2019 Capital Fund Program. This figure is based on 20% of the anticipated operating subsidy for CY 2019.

Rent Determination

Rent is determined by establishing the household's total tenant payment (TTP) in accordance with 24 CFR 5.628.

HUD regulations specify the formula for calculating the total tenant payment (TTP) for a tenant family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30% of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10% of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent of \$50 has been established by SHA.

The SHA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6-III.B of the ACOP.

Homeownership Programs

SHA has an approved Section 32 Homeownership Program with 17 remaining PHA Scattered Site homes. Existing public housing residents may purchase the homes until SHA has received a RAD, CHAP and received approval from HUD. At that time the homes will be sold to the public at the appraised value, which are planned to sell. These PHA Scattered Site homes are all in AMP 40 the HUD Sites numbers are 3-11, 3-23, 3-24 and 3-28. SHA will submit a RAD diminimus application for these homes.

Homeownership

SHA will continue to seek opportunities for participants in the area of homeownership.

1. SHA will submit a RAD diminimus disposition application for the homes remaining in the Sec 32 program.
2. SHA has recently submitted a Rental Assistance Demonstration (RAD) Grant for AMP 40 which includes all of the scattered site single family homes in the Section 32 Program. If approved SHA plans to dispose of the majority of these homes by selling them as is to any individual, the sale would not be restricted to low-income buyers.
- ~~3. Review Lease Purchase Program to increase success in low-income families to becoming first time homeowners. SHA also would like to revise and implement a Lease Purchase Program.~~
- 3.

Housing Choice Voucher Program

Housing Choice Voucher (HCV) HCV Program will continue with its Homeownership Program. SHA is reviewing an option to utilize up to 250 housing choice vouchers in conjunction with the NACA program.

Voucher homeownership program: SHA will continue operation of its homeownership program. This Homeownership option will be available to up to 150 participants to utilizing the voucher. es their tenant based voucher to purchase a home.

The HCV and Asset Management program informal hearings will be conducted by a person or persons approved by the SHA, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision. The PHA has designated the following to serve as hearing officers:

A Designee or a panel of professional community leaders individuals.

SHA will submit applications for Mainstream and Family Unification Program vouchers.

SHA will admisister a second TBRA program with funds provided by Spartanburg County to assist families that are elderly, disabled or working. SHA will design an administrative plan for this program and maintain a separate waiting list. Working families will be required to pay initial rent based on 30% of annual adjusted income as verified at the time of admission to the program. Interim reexams will only be considered if a hardship exists.

SHA will provide Single Room Occupancy (SRO) assistance for up to eight (8) families. A single room occupancy unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the number of units in an SRO facility, but the size of a facility may be limited by local ordinances.

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Housing Choice Voucher Waitlist

The Spartanburg Housing Authority will utilize a lottery system to place applicants on the waiting list for the Housing Choice Voucher Program.

Once the application deadline expires and the waitlist is closed, SHA will conduct a lottery to randomly assign a lottery number to all pre-applications in the preliminary applicant pool. The pre-applications will then be placed on the HCV waitlist in sequential order based on the assigned lottery number, and then sorted by preference(s) to determine the position on the waitlist.

SHA will determine the total number of families to be placed on the wait list. The total number of families on the waitlist should not exceed a reasonable estimated wait time to be selected from the waitlist. Applicants selected for placement on the waitlist will be notified. Those applications not selected for the waitlist will receive a notice and must reapply when the waiting list reopens.

SHA will amend the HCV waitlist to include a local preference. SHA will adopt a local residency preference for all Housing Choice Voucher waitlists. Local Preferences are used to give a priority to serving applicants on the waitlist that qualify for the preference. Once an applicant is on the waitlist, additional points from any preferences chosen are applied. These additional points move the application to a higher position on the waitlist, allowing the applicant to be served sooner. The local residency preference will be given to applicants who are a resident of Spartanburg County. All other applicants will be required to lease within Spartanburg County for at least 12 months before requesting portability.

SHA ~~has~~will adopted a Displaced by PHA- RAD preference. This preference ~~will have~~has the highest point value.

SHA will open the HCV waiting list to veterans who currently live in Spartanburg County. Families who apply must meet the local residency and veteran preference.

Community Service and Self-Sufficiency Programs

The Spartanburg Housing Authority will continue to provide resident services through the utilization of HUD funds and grants to Public Housing communities. We will support Resident Councils and Resident Advisory Boards, and will work to increase their awareness and participation in community services and activities. SHA will partner with community organizations to provide supportive services to our residents and participants. SHA will continue to administer our Self-Sufficiency Program for both public housing residents and Housing Choice Voucher recipients. SHA administers a ROSS Grants for public housing residents, promoting job training and employment opportunities through the Connections Program. This program consists of job readiness assistance ~~and training~~training, case management, ~~and referrals, and job placement~~placement services. These activities may assist the agency in increasing the income levels of residents currently residing in communities. Additionally, the activities will help the residents overcome the barriers of transportation, education, and/or child care. Non-Public Housing Families who live in RAD communities will be assisted in accordance with HUD regulations. SHA partners with local colleges and businesses to offer training and employment opportunities to residents.

SHA has computer labs based in all public housing communities, which allow residents internet access to search for jobs, do homework or research information self-sufficiency tools. The Spartanburg Housing Authority also administers a Homeownership Program to encourage and

teach public housing residents about Homeownership. Other grants employ Service Coordinators to assist senior and disabled residents to live longer independently in their own apartments.

SHA will apply to become a sponsor for the Summer Food Service Program (SFSP). SFSP is administered at the Federal level by the Food and Nutrition Service, an agency of the United States Department of Agriculture. SHA plans to help feed children in our PHA sites as well as other sites within the community during the summer months to help fill the gap when school is out.

SHA will apply to become a sponsor for the Child and Adult Care Food Program (CACFP) through the Department of Social Services (DSS). The CACFP will allow SHA to provide a nutritious dinner and snack to children in PHA sites as well as other children in the community that are a part of an after-school program.

SHA has begun an after school reading program called "Let's Read" that will be available to children ages 5-18 that reside in PHA sites. This program is being established to enrich children's lives through reading so they can become strong, enthusiastic and independent readers while enjoying engaging activities within their housing community.

Safety and Crime Prevention

All of the Spartanburg Housing Authority's public housing properties are within the City Limits of the City of Spartanburg. All of these properties are under the jurisdiction of the Spartanburg Public Safety Department. The Spartanburg Housing Authority portfolio contains units in the County of Spartanburg, the jurisdiction of the Spartanburg County Sheriff. SHA regularly communicates with both agencies regarding community security issues. SHA will continue its efforts to effectively engage with Spartanburg Public Safety Department (SPSD).

1. SHA, through its agreement with SPSP receive daily reports of calls for service and weekly reports of incidents within public housing sites or crimes committed by persons residing within public housing.
2. SPSP has established a "HOTLINE" for residents to anonymously report any criminal activities. There is a "Hotspot" form that we pass out to residents to anonymously report crime.
3. The Archibald Rutledge Hi-Rise property has established a resident-staffed Reception Desk, seven days a week, during daytime hours, whereby entry into the building is monitored.
4. SHA maintains agreement with SPSP to, provide supplemental patrols as needed, develop, and implement crime prevention strategies.
5. SHA will check criminal history using Yardi credit screening, for all applicants who are 18 years of age or older, to determine whether any family member has engaged in violent or drug-related criminal activity.
6. SHA will check criminal history for all applicants who are 18 years of age or older. HUD requires denial of assistance to persons convicted as lifetime sexual offenders and for production of methamphetamines. SHA will consider mitigating circumstances in accordance with HUD guidance for other offenses.
7. To respond to the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking, SHA will comply with all HUD VAWA regulations.

SPSD, as part of its agreement with SHA, provides officers as needed to testify, provides training, and assists in preparing documents for court, to ensure corrective measures are taken.

Asset Management Security Improvements:

a. SHA continues to partner with community groups and Neighborhood Watch organizations.

~~b. SHA has improved lighting at Prince Hall and Victoria Gardens~~

~~SHA has removed foliage and trees in sight lines at Victoria Gardens to improve law enforcement ability to police the property.~~

~~b. New signage was purchased for all sites in compliance with the SC Code of Laws Section 16-11-620 regarding trespassing on SHA property.~~

c. New security camera upgrades were completed at Archibald Hi-Rise.

VAWA

The SHA is in compliance with the VAWA provisions issued on December 16, 2016 and have been incorporated into Chapter 12 and Chapter 16—of the Administrative Plan and Chapter 16 of the ACOP.

Asset Management

SHA manages its AMP's in accordance with HUD's Asset Management principals.

DECONCENTRATION AND INCOME TARGETING

1. Background

Included in Quality Housing and Work Responsibility Act of 1998 (QHWRA or Housing Reform Act) is a requirement that PHA's submit, with their Agency Plans, an admissions policy designed to promote income-mixing within Asset Management complexes. The U.S. Department of Housing and Urban Development (HUD) established "income-mixing" rules and tools for evaluation of the current income-mix. The procedures are delineated, "Rule to Deconcentrate Poverty and Promote Integration in Public Housing; Final Rule", published in the Federal Register as 24 CFR Part 903 and dated 22 December 2000.

2. Deconcentration Policy

It is the Spartanburg Housing Authority's (SHA) policy to provide for deconcentration of poverty and encourage income mixing with a goal of bringing higher income families into lower income complexes, and lower income families into higher income complexes. SHA will ensure that all marketing of our housing is targeted to all eligible income groups. Lower income residents will not be steered toward lower income complexes; higher income residents will not be steered toward higher income complexes. Instead, residents decide where they would like to live. Each applicant that reaches the top of the waiting list will be offered the first available unit. However, if they do not wish to accept this unit offer, they will be given up to two additional offers. If an applicant declines three unit offers without good cause, that applicant will be cancelled from the waiting list.

3. Income Targeting

The Housing Authority will follow the statutory requirement that at least 40% of newly admitted families in any fiscal year should have an annual income at or below 30% of the area median income. To ensure this requirement is met, the Housing Authority will monitor incomes of newly admitted families.

4. Fair Housing

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No action of the housing authority in attempting to achieve deconcentration and income-mixing shall violate Fair Housing policies.

B.2

New Activities.

(a) Does the PHA intend to undertake any new activities related to the following in the PHA’s current Fiscal Year?

Y

N

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☒

 Hope VI or Choice Neighborhoods.

☒

☐

 Mixed Finance Modernization or Development.

☒

☐

 Demolition and/or Disposition.

☒

☐

 Designated Housing for Elderly and/or Disabled Families.

☒

☐

 Conversion of Asset Management to Tenant-Based Assistance.

☒

☐

 Conversion of Public Housing to Project-Based Assistance under RAD.

☐

☒

 Occupancy by Over-Income Families.

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☒

 Occupancy by Police Officers.

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 Non-Smoking Policies.

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☐

 Project-Based Vouchers.

☒

☐

 Units with Approved Vacancies for Modernization.

☒

☐

 Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

Mixed Finance Modernization of Development

~~The Spartanburg Housing Authority has an approved Rental Assistance Demonstration Program (RAD) portfolio conversion. The conversion of all Asset Management Properties to Project Based Rental Assistance is being completed in three phases.~~

Phase I

~~The first Phase of RAD consists of 8 properties with a total of 410 units. The RAD conversion transaction for Phase I closed in 2016.~~

Phase II

~~The second Phase of RAD consists of the 7 properties below. These properties are a combination of existing mixed finance communities that were developed under SHA’s former HOPE VI program(s). The total units in each property includes both Asset Management and Non Asset Management units. The Asset Management units will convert to Project Based Vouchers under the RAD Program. SHA has received a Commitment to Enter into a Housing Assistance Payments Contract (CHAP) for these properties and anticipates a RAD conversion closing in 2017.~~

EXISTING MIXED-FINANCE PROPERTIES	TOTAL UNITS	RAD-PROJECT BASED VOUCHERS
Country Garden Estates	50	10
Cedar Springs Townhomes	44	19
Collins Park	100	24
The Ridge at Southport	78	54
Cottage Grove	8	8
NEW MIXED INCOME PARTNERSHIP		
Cammie Clagett Phase II	78	78
DIMINIMUS DISPOSITION		
Single Family Houses	26	18
TOTAL	384	235

~~Cedar Springs Townhomes, Collins Park, The Ridge at Southport and Cottage Grove will convert under the RAD Program with no new financing.~~

~~Country Garden Estates~~ will convert through refinancing. The initial 15-year Tax Credit compliance period has expired and SHA will exercise its first right of refusal to acquire the property as sole owner. A conventional loan will be utilized to pay off the existing first mortgage and fund some rehabilitation work.

~~Cammie Clagett Phase II~~ Phase II of the Cammie Clagett RAD conversion will consist of a Transfer of Assistance (TOA) to another site. SHA has partnered with the City of Spartanburg, the Northside Development Group and Spartanburg Housing Partners, a for profit developer, to transfer the remaining 78 RAD replacement units from the Cammie Clagett development to a new construction.

~~Single Family Homes~~ The single family homes will be disposed of under a portfolio “diminimus” disposition and will not convert to RAD units. SHA will sell the units at fair market value under an open bid process.

~~Phase III~~ The final Phase of the RAD conversion includes the properties listed in the chart below. SHA will procure Development Partners to assist in the redevelopment of these properties. The proposed strategy for each property is summarized below.

PROPERTY	RAD-CONVERSION UNITS	PROPOSED CONVERSION PLAN
Archibald Rutledge	150	Transfer of Assistance—Disposition
Archibald Village	50	Transfer of Assistance—Disposition
Camp Croft Courts	96	On-Site Demolition and New Construction
Victoria Gardens	80	On-Site Rehabilitation or Demolition determined by TDC.
NEW MIXED INCOME PARTNERSHIP		
Prince Hall Apartments	100	Section 18 Disposition and Demolition
TOTAL	476	

~~Archibald Rutledge and Archibald Village~~ SHA proposes to transfer the RAD assistance from the existing properties to other properties throughout Spartanburg County. SHA will work with for-profit and non-profit developers as well as existing property owners to determine multiple locations for placement of RAD-PBV contracts. Upon completion of the TOA, SHA will dispose of the existing buildings and land at fair market value through a competitive bid process. SHA may propose development of units to support this transition, to the extent that development and financing tools are available.

~~Camp Croft Courts~~ SHA proposed to redevelop this property through an on-site two-phase approach. Half of the existing residents will be temporarily relocated to allow for demolition and new construction of 50% of the apartments. Upon completion of the first phase, a second phase will be done in the same manner with the intent to replace all units on the site.

~~Victoria Gardens~~ The RAD conversion strategy for Victoria Gardens is a “sale” and rehabilitation of the existing buildings. SHA proposes to form a partnership and using tax exempt bond proceeds and 4% Low Income Housing Tax credits compete substantial rehabilitation of Victoria Gardens. The level of construction work to be performed will require temporary relocation but the rehabilitation work will be phased to minimize any off-site relocation. In the event that rehabilitation is not financially feasible, SHA will consider demolition and new construction to insure one-for-one replacement, to the extent that development and financing tools are available.

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~~*Prince Hall*—The redevelopment strategy for Prince Hall is to submit a Section 18 disposition based on obsolescence and secure tenant protection vouchers. Residents will have the opportunity to elect permanent relocation options that will include Project Based Vouchers or a Tenant Protection Voucher. SHA will provide intensive relocation case management services and all benefits under URA. SHA will “bank” the land until such time that a redevelopment opportunity arises for the location of the site.~~

Mixed Finance Modernization of Development

~~The Spartanburg Housing Authority has an approved Rental Assistance Demonstration Program (RAD) award for a portion of it’s portfolio. The award for Archibald Highrise and Viollage, Prince Hall, Victoria Gardens an Camp Croft is expired. Upon advise of HUD amendmended applications are being submitted. SHA intends to convert it’s entire remaining public housing portfolio utilizing the RAD process, portfolio conversion. The conversion of all Public Housing Properties to Project Based Rental Assistance is being completed in three phases.~~

Phase I

~~The first Phase of RAD consists of 8 properties with a total of 410 units. The RAD conversion transaction for Phase I closed in 2016.~~

Phase II

~~The second Phase of RAD consists of the 7 properties below. These properties are existing mixed finance communities that were developed under SHA’s former HOPE VI program(s). The total units in each property includes both Public Housing and Non Public Housing units.~~

~~The Public Housing units will convert to Project Based Vouchers under the RAD Program. SHA has received a Commitment to Enter into a Housing Assistance Payments Contract (CHAP) for these properties and anticipates a RAD conversion closing in 2019.~~

<u>EXISTING MIXED FINANCE PROPERTIES</u>	<u>TOTAL UNITS</u>	<u>RAD PROJECT BASED VOUCHERS</u>	<u>RAD CONVESION STRATEGY</u>
<u>Cedar Springs Townhomes</u>	44	19	<u>Transfer of Assistance</u>
<u>Country Garden Estates</u>	50	10	<u>Refinancing</u>
<u>Collins Park</u>	100	24	<u>Convert “as is”</u>
<u>The Ridge at Southport</u>	78	54	<u>Convert “as is”</u>
<u>Cottage Grove</u>	8	8	<u>Convert “as is”</u>
<u>Cammie Clagett Phase II</u>	78	78	<u>Transfer of Assistance</u>
<u>Single Family Houses</u>	26	18	<u>Deminimis Disposition</u>
<u>TOTAL</u>	384	235	

~~*Cedar Springs Townhomes* will convert under RAD through transfer of the assistance to Drayton at Parkside, a new senior 9% Low Income Housing Tax Credit property.~~

~~*Collins Park, The Ridge at Southport and Cottage Grove* will convert under the RAD Program with no new financing.~~

~~*Country Garden Estates* will convert through refinancing. The initial 15-year Tax Credit compliance period has expired and SHA will exercise its first right of refusal to acquire the property as sole owner. A conventional loan will be utilized to pay off the existing first mortgage and fund some rehabilitation work.~~

~~*Cammie Clagett Phase II* – Phase II of the Cammie Clagett RAD conversion will consist of a Transfer of Assistance (TOA) to another site. SHA has partnered with the City of Spartanburg, the Northside Development Group and Spartanburg Housing Partners, a for profit developer, to~~

transfer the remaining 78 RAD replacement units from the Cammie Clagett development to a new construction.

Single Family Homes – The single-family homes will be disposed of under a portfolio “diminimus” disposition and will not convert to RAD units. SHA will sell the units at fair market value under an open bid process. Alternatly, SHA may elect to partner with South Carolina Department of Mental Health to position these units for housing for persons with disabilities.

Phase III – The final Phase of the RAD conversion includes the properties listed in the chart below. SHA will procure Development Partners to assist in the redevelopment of these properties. The proposed strategy for each property is summarized below.

<u>PROPERTY</u>	<u>RAD CONVERSION UNITS</u>	<u>RAD CONVERSION STRATEGY</u>
<u>Archibald Rutledge</u>	<u>150</u>	<u>Rehabilitation of the existing units; SHA anticipates a “Twinning” concept; Once the 9% application is approved a 4% application will be submitted; Application submitted under 9% LIHTC in March 2018.</u>
<u>Archibald Village</u>	<u>50</u>	<u>Rehabilitation of existing units under 4% LIHTC and bond transaction.</u>
<u>Camp Croft Courts</u>	<u>96</u>	<u>Phased demolition and redevelopment under 4% LIHTC and bond transaction.</u>
<u>Victoria Gardens</u>	<u>80</u>	<u>Rehabilitation with phases construction; 9% LIHTC to be submitted in 2019.</u>
<u>NEW MIXED INCOME PARTNERSHIP</u>		
<u>Prince Hall Apartments</u>	<u>100</u>	<u>Section 18 Disposition and Demolition</u>
<u>TOTAL</u>	<u>476</u>	

Archibald Rutledge and Archibald Village – SHA submitted a 9% Low Income Housing Tax Credit application in 2018 which if successful, will combine with a 4% LIHTC transaction to rehabilitate 128 of the existing 150 units. 7 units will be demolished under the RAD permissible “deminimis” demolition and the 15 remaining units will transfer assistance to another location.

Camp Croft Courts – SHA proposed to redevelop this property through an on-site two phase approach. Half of the existing residents will be temporarily relocated to allow for demolition and new construction of 50% of the apartments. Upon completion of the first phase, a second phase will be done in the same manner with the intent to replace all units on the site under at 4%/bond transaction.

Victoria Gardens – The RAD conversion strategy for Victoria Gardens is substantial rehabilitation with submission of a 9% Low Income Housing Tax Credit application in 2019. The rehab would be done using phases construction to minimize off-site relocation.

Prince Hall – The redevelopment strategy for Prince Hall is to submit a Section 18 disposition based on obsolescence and secure tenant protection vouchers. Residents will have the opportunity to elect permanent relocation options that will include Project Based Vouchers or a Tenant Protection Voucher. SHA will provide intensive relocation case management services and all benefits under URA. SHA will “bank” the land until such time that a redevelopment opportunity arises for the location of the site.

Non-smoking Policies

Smoking is prohibited in the common areas and the dwelling units at Archibald Rutledge Hi-Rise and will go into effect at all SHA Public Housing Policies on July 30, 2018. Designated Smoking Areas were implemented at the ~~site~~Archibald Hi-Rise and Village, 25 feet away from all entrances.

US Department of Housing and Urban Development 24CFR part 965 “Instituting Smoke Free Public Housing”. SHA will require all residents to comply with no smoking in any public housing and sign the board approved Smoke Free Policy. ~~property by August 1, 2018.~~

Project-Based Vouchers

As part of the redevelopment strategy and to improve the overall quality of the housing stock offered to the residents of Spartanburg County, SHA may project base up to 25% of its baseline voucher allocation. Preference for Project Based Vouchers will be combined with RAD vouchers for Transfer of Assistance conversion identified above.

The Transfer of Assistance to Project Based Vouchers will be assigned to the following properties:

Country Gardens Estate

Collins Park

The Ridge at Southport

Cottage Grove

Other SHA approved properties

HOUSING CHOICE VOUCHER—ADMINISTRATIVE PLAN UPDATE

~~Chapter 4 APPLICATIONS, WAITING LIST AND TENANT SELECTION p. 4-14~~

~~4. III.C. SELECTION METHOD p. 4-14~~

~~Local Preferences [24 CFR 982.207; HCV p. 4-16]~~

~~SHA will adopt a local residency preference for all Housing Choice Voucher waiting lists. Local Preferences are used to give a priority to serving applicants on the wait list that qualify for the preference. Once an applicant is on the wait list, additional points from any preferences chosen are applied. These additional points move the application to a higher position on the wait list, allowing the applicant to be served sooner. The local residency preference will be given to applicants who are a resident of Spartanburg County.~~

~~SHA shall select from the HCV waiting list first based upon date and time of application. Within the date and time of application the following listed preferences and designated ranking system will apply.~~

~~Within the date and time of application, the SHA will offer a preference to:~~

- ~~1. Any family that has been terminated from its HCV program due to insufficient program funding (10 Points)~~
- ~~2. Families who are a current resident of Spartanburg County (10 Points)~~
- ~~3. Families who have been displaced due to action taken by the SHA for demolition or rehabilitation or sale of unit in which the family is currently housed (10 Points)~~
- ~~4. Families who are verified as working 30 or more hours per week for six consecutive months, elderly, handicap, and/or disabled (7 Points)~~
- ~~5. Families who are homeless or have been displaced due to local, Federal or State governmental action (5 Points)~~
- ~~6. Veterans (5 Points)~~
- ~~7. Project based voucher holders who applied for HCV assistance at the time the waiting list was open and have currently completed the requirements of their contract within the PBV unit and are in good standing (1 Points)~~

~~In the event the family does not qualify for any preference, they will be placed on the waiting list within the date and time of application. (0 Points)~~

~~Chapter 5 BRIEFINGS AND VOUCHER ISSUANCE Page 5-14~~

~~5-III.D. VOUCHER ISSUANCE [24 CFR 982.302]~~

~~If the SHA determines that there is insufficient funding after a voucher has been issued, the SHA may rescind the voucher and place the affected family back on the waiting list. In the below order:~~

- ~~• Vouchers issued but for which SHA has not yet received a Request for Tenancy Approval (RFTA) will be rescinded based on the date in which they were issued.~~
- ~~• Voucher issued in which SHA has received a Request for Tenancy Approval (RFTA) will be rescinded based on the date in which the RFTA was received starting with the most recently received.~~

~~Chapter 8~~

~~HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS [24 CFR 982 Subpart I and 24 CFR 982.507]~~

~~PART III: RENT REASONABLENESS [24 CFR 982.507]..... 8-21~~

~~8-III.D. PHA RENT REASONABLENESS METHODOLOGY~~

~~How Market Data Is Collected~~

~~SHA Policy~~

~~The SHA has elected to utilize electronic rent reasonableness data supplied by an approved third party vendor. The system must collect and maintain data on market rents in the SHA's jurisdiction. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis.~~

~~Chapter 12 TERMINATION OF ASSISTANCE AND TENANCY p.12-7-8~~

~~Insufficient Funding [24 CFR 982.454]~~

~~SHA shall consider, adopt, and implement any or all of the following cost containment or cost reduction measures:-~~

- ~~• Adjust Payment Standards~~
- ~~• Adjust Utility Allowances~~
- ~~• Restrict Portability and Moves to within PHA's Jurisdiction~~
- ~~• Ensure Reasonable Rents~~
- ~~• Adjust Subsidy Standards~~
- ~~• Adjust Interim Reexamination Policies and Procedures~~
- ~~• Restrict the Issuance of Vouchers~~
- ~~• Cancel Vouchers in Search Status~~

~~Notification of Contract Terminations—SHA shall provide notification of HAP Contract terminations as follows:~~

- ~~• Landlords will be provided with 30 days written notice that the HAP Contract will be~~

~~terminated in accordance with the terms and conditions of the contract for lack of funding. Contracts shall be terminated as of the last day of the month following the month in which the written notice is provided.~~

- ~~• Participants will be provided with 30 days written notice that their assistance will be terminated in accordance with the provisions of the Administrative Plan and HUD guidance. Participants shall not be entitled to a hearing for termination of assistance under this provision.~~
- ~~• An initial PHA with payment delinquencies of more than 3 months will be provided with a copy of the notices sent to the Owner and Participant. A copy of the Declaration of Insufficient Funding shall be attached to the notice.~~
- ~~• A receiving PHA of a PHA outgoing portable family shall be notified at least 60 days in advance of the effective date of termination of assistance. The receiving PHA may choose to absorb the voucher or terminate assistance. If the receiving PHA terminates the assistance, they shall be responsible for notification to the Owner and Participant.~~

~~— Order of Priority for Contract Termination — The priority of contract termination shall be based on the date of initial SHA assistance. Contracts shall be terminated in the order of initial contract effective date of a non elderly and non disabled family continuously assisted by the SHA. Initial assistance is determined by the date of the first HAP contract that provided assistance to the participant began. This includes outgoing and incoming portable contracts.~~

- ~~• Random Selection — In the event the above selection criteria fails to yield a sufficient number of contract terminations necessary to meet funding levels, additional contracts will be selected through a random lottery. Using the assigned voucher number, SHA will randomly select numbers and rank them based on selection. Contracts will be terminated in order of ranking until a sufficient number of contracts have been identified to achieve the required cost reductions.~~

~~Responsibility to Maintain Current Contact Information on File — Participants whose voucher is terminated for the reasons under this section, shall be responsible for maintaining current contact information on file with PHA. If future funding permits the reinstatement of assistance and SHA is unable to contact the family by mail due to incorrect information on file, the family will be permanently removed from the program and no further efforts will be made to reinstate assistance. All factors of initial eligibility will be re assessed prior to reinstatement of a voucher and resumption of assistance. Only families meeting the eligibility requirements will be issued a voucher~~

~~Suspension of Housing Assistance Payments — As an alternative to terminating active HAP Contracts, PHA may choose to suspend housing assistance payments for a period of one month in any calendar year. Landlords and participants will be provided with a minimum of a 30 day notice of any such suspension of payments.~~

~~Project Based Voucher Exclusion — Project Based Voucher HAP contracts shall be excluded from termination under the provisions above. Due to financing commitments based on the long term provisions of the HAP contract for Project Based Vouchers, PBV HAP contracts shall be excluded from termination for insufficient funding unless funding reductions result in cancellation of all tenant based HAP contracts.~~

RAD RESIDENT PROTECTION

Upon conversion to Project Based Vouchers, the Authority will adopt the RAD resident rights,

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participation, waiting list and grievance procedures as described below. Additionally, the Spartanburg Housing Authority is currently compliant with all Fair Housing and Civil Rights requirements and is not under a Voluntary Compliance Agreement.

RAD was designed by HUD to assist in addressing the capital needs of Public housing by providing SHA with access to private sources of capital to repair and preserve its affordable housing assets.

SHA certifies that all RAD locations, including new locations selected for transfer of assistance shall meet all Site and Neighborhood requirements and shall comply with the following requirements.

- Site selection requirements set forth at 24 CFR 983.57;
- The Fair Housing Act;
- Title VI of the Civil Rights Act of 1964 including implementing regulations at 24 CFR 1.4(b)(3);
- Section 504 of the Rehabilitation Act of 1973 including implementing regulations at 24 CFR 8.4(b)(5); and
- The Americans with Disabilities Act.

Significant Amendment Definition

As part of the Rental Assistance Demonstration (RAD), the Housing Authority is redefining the definition of a substantial deviation from the PHA Plan to reflect exclusion of the following RAD-specific items:

- Changes to the Capital Fund Budgets produced as a result of each approved RAD conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
- Changes to the construction and/or rehabilitation plan for each approved RAD conversion; and
- Changes to the financing structure for each approved RAD conversion.

Resident Rights and Participation

1. *No Re-screening of Tenants upon Conversion.* Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households. Once that remaining household moves out, the unit must be leased to an eligible family.

2. *Right to Return.* Any residents that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to an assisted unit at the development once rehabilitation or construction is completed. Where the transfer of assistance to a new site is warranted and approved (see Section 1.6.B.7 and Section 1.7.A.8 on conditions warranting a transfer of assistance), residents of the converting development will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete.

Residents of a development undergoing conversion of assistance may voluntarily accept a PHA or

Owner's offer to permanently relocate to another assisted unit, and thereby waive their right to return to the development after rehabilitation or construction is completed.

3. *Renewal of Lease.* Under current regulations at 24 CFR § 983.257(b)(3), upon lease expiration, a PHA can choose not to renew the lease, without good cause. In such a case, the regulatory consequence is the loss of the assisted unit. Under RAD, the PHA must renew all leases upon lease expiration, unless cause exists. Consequently, 24 CFR §983.257(b)(3) will not apply. This provision must be incorporated by the PBV owner into the tenant lease or tenancy addendum, as appropriate.

4. *Phase-in of Tenant Rent Increases.* If a tenant's monthly rent increases by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over 3 years. To implement this provision, HUD is waiving section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of "total tenant payment" (TTP)) only to the extent necessary to allow for the phase-in of tenant rent increases.

The below method explains the set percentage-based phase-in an owner must follow according to the phase-in period established. For purposes of this section "standard TTP" refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058

Three Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP and the standard TTP
- Year 2: Year 2 Annual Recertification (AR) and any Interim Recertification (IR) prior to Year 3 AR – 66% of difference between most recently paid TTP and the standard TTP
- Year 3: Year 3 AR and all subsequent recertifications – Full standard TTP

Please Note: Once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward.

5. *Public Housing Family Self Sufficiency (PH FSS) and Resident Opportunities and Self Sufficiency Service Coordinator (ROSS-SC) programs.* Current PH FSS participants will continue to be eligible for FSS once their housing is converted under RAD, and PHAs will be allowed to use any PH FSS funds granted previously or pursuant to the FY 2013 PH FSS NOFA, to serve those FSS participants who live in units converted by RAD and who will as a result be moving to the HCV FSS program, subject to the following:

- a. If a PHA has an HCV FSS program, a PHA must convert the PH FSS program participants at the covered project to their HCV FSS program. Please see future FSS Notices of Funding Availability and other guidance for additional details, including FSS coordinator funding eligibility of PHAs under a RAD conversion.
- b. If a PHA does not have an HCV FSS program, the PHA must establish an HCV FSS program and convert the PH FSS program participants at the covered project into their HCV FSS program. PHAs are not required to offer enrollment in FSS to residents in converting projects and other HCV participants, other than to residents in converting projects that were enrolled in the PH FSS program. Please see future FSS Notices of Funding Availability and other guidance for additional details, including FSS coordinator funding eligibility of PHAs under a RAD conversion.

All PHAs will be required to administer the FSS program in accordance with FSS regulations at 24 CFR Part 984 and in accordance with the participants' contracts of participation. However, residents who were converted from the PH FSS program to the HCV FSS program through RAD may not be terminated from the HCV FSS program or have HCV assistance withheld due to the participant's failure to comply with the contract of participation. Consequently, 24 CFR 984.303(b)(5)(iii) does not apply to FSS participants in converted properties.

Current ROSS-SC grantees will be able to finish out their current ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future public housing. ROSS-SC grants, nor will its residents be eligible to be served by future Public housing ROSS-SC grants.

6. *Resident Participation and Funding.* In accordance with Attachment 1B, residents of covered projects converting assistance to PBVs will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding.

7. *Resident Procedural Rights.* The following items must be incorporated into both the HCV Administrative Plan and the owner's lease, which includes the required tenancy addendum, as appropriate. Evidence of such incorporation may be requested by HUD for purposes of monitoring the program.

a. Termination Notification. HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert assistance under RAD. In addition to the regulations at 24 CFR § 983.257, related to owner termination of tenancy and eviction, as modified by the waiver in Section 1.6(C)(3) above, the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall not be less than:

- i. A reasonable period of time, but not to exceed 30 days:
 - If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - In the event of any drug-related or violent criminal activity or any felony conviction;
- ii. 14 days in the case of nonpayment of rent; and
- iii. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

b. Grievance Process. HUD is incorporating additional procedural rights to comply with the requirements of section 6 of the Act. For issues related to tenancy and termination of assistance, PBV program rules require the PHA to provide an opportunity for an informal hearing, as outlined in 24CFR § 982.555. RAD will waive 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, and require that:

- i. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi), an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a PHA (as owner) action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect

the resident's rights, obligations, welfare, or status.

- For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program.
 - For any additional hearings required under RAD, the PHA (as owner) will perform the hearing.
- ii. An informal hearing will not be required for class grievances or to disputes between residents not involving the PHA (as owner) or contract administrator.
- This hearing requirement shall not apply to and is not intended as a forum for initiating or negotiating policy changes between a group or groups of residents and the PHA (as owner) or contract administrator.
- iii. The PHA (as owner) give residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR §982.555(a)(1)(i)-(vi).
- iv. The PHA (as owner) provide opportunity for an informal hearing before an eviction.

Current PBV program rules require that hearing procedures must be outlined in the PHA's HCV Administrative Plan.

8. *Earned Income Disregard (EID)*. Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

Under the Housing Choice Voucher program, the EID exclusion is limited to only persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in section 5.617(b) limiting EID to only disabled persons is waived. The waiver and resulting alternative requirement only applies to tenants receiving the EID at the time of conversion.

No other tenant (e.g., tenants who at one time received the EID but [are](#) not receiving the EID exclusion at the time of conversion (e.g., due to loss of employment); tenants that move into the property following conversion, etc.) is covered by this waiver.

PBV: Other Miscellaneous Provisions

1. *Access to Records, Including Requests for Information Related to Evaluation of Demonstration*. PHAs must agree to any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work. Please see Appendix IV for reporting units in Form HUD-50058.

2. *Additional Monitoring Requirement.* The PHA's Board must approve the operating budget for the covered project annually in accordance with HUD requirements.

3. *Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968 (Section 3).* Under existing PBV program rules, projects that qualify as "existing housing" under 24 CFR § 983.52(a) are not subject to Davis-Bacon (prevailing wages, the Contract Work Hours and Safety Standards Act, and other related regulations, rules, and requirements) or Section 3 (24 CFR Part 135). However, the Davis-Bacon Act and Section 3 shall apply to all initial repairs that are identified in the Financing Plan to the extent that such repairs qualify as construction or rehabilitation, regardless of whether the project qualifies as "existing housing."

Developmental requirements under 24 CFR §983.154 and fair housing provisions under 24 CFR § 983.152(c)(vi) continue to apply.

4. *Establishment of Waiting List.* In establishing the waiting list for the converted project, the PHA shall utilize the project-specific waiting list that existed at the time of conversion, unless the assistance is being transferred to another neighborhood. If a project-specific waiting list does exist, but the PHA is transferring the assistance to another neighborhood, the PHA must notify applicants on the wait-list of the transfer of assistance, and on how they can apply for residency at the new project site or other sites. Applicants on a project-specific waiting list for a project where the assistance is being transferred shall have priority on the newly formed waiting list for the new project site in accordance with the date and time of their application to the original project's waiting list. In addition, the waiting list must be established and maintained in accordance with PBV program requirements.

If a project-specific waiting list for the project does not exist, the PHA shall establish a waiting list in accordance 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on the PHA's Asset Management community-wide waiting list have been offered placement on the converted project's initial waiting list. For the purpose of establishing the initial waiting list, PHAs have the discretion to determine the most appropriate means of informing applicants on the Asset Management waiting list given the number of applicants,

PHA resources, and community characteristics of the proposed conversion under RAD. Such activities should be pursuant to the PHA's policies for waiting list management, including the obligation to affirmatively further fair housing.

A PHA may consider contacting every applicant on the public housing waitlist via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (e.g., radio stations, posters, newspapers) within the marketing area, informing local non-profit entities and advocacy groups (e.g., disability rights groups); and conducting other outreach as appropriate. Applicants on the agency's centralized Asset Management waiting list who wish to be placed onto the newly-established waiting list are done so in accordance with the date and time of their original application to the centralized Asset Management waiting list.

Any activities to contact applicants on the Asset Management waiting list must be conducted accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and the obligation to provide meaningful access for persons with limited English proficiency (LEP).

To implement this provision, HUD is waiving 24 CFR § 983.251(c)(2). However, after the initial waiting list has been established, the PHA shall administer its waiting list for the converted project in accordance with 24 CFR § 983.251(c).

5. *Mandatory Insurance Coverage.* The project shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed property of a project, except with the written approval of HUD to the contrary.

6. *Agreement Waiver.* For Asset Management conversions to PBV, there will be no Agreement to Enter into a Housing Assistance Payments (AHAP) contract. Therefore, all regulatory references to the Agreement (AHAP), including regulations under 24 CFR Part 983 Subpart D are waived.

7. *Future Refinancing.* Owners must receive HUD approval for any refinancing or restructuring of permanent debt within the HAP contract term to ensure the financing is consistent with long-term preservation. (Current lenders and investors are also likely to require review and approval of refinancing of the primary permanent debt.)

8. *Administrative Fees for Asset Management Conversions.* For the initial Calendar Year in which a project's assistance has been converted, RAD PBV projects will be funded with Asset Management money. Since the Asset Management funding will not have been transferred to the TBRA account and since this funding is not HCV assistance the annual contributions contract (ACC) between the PHA and HUD will cover the project units, but be for zero dollars.

For this transition period, the ACC will primarily serve as the basis for covering the units and requiring PHA compliance with HUD requirements, but it will not be (as it is in the regular PBV program) the funding vehicle for the PBV RAD vouchers. Given this, and given the fact that PHAs will be receiving full Asset Management funding for the PBV units during this transition period, PHAs will not receive ongoing HCV administrative fee funding during this time.

Generally, PHAs receive ongoing administrative fees for units under a HAP contract, consistent with recent appropriation act references to "HCV(q) of the [United States Housing Act of 1937] and related appropriations act provisions in effect immediately before the Quality Housing and Responsibility Act of 1998" and 24 CFR 982.152(b). During the transition period mentioned in the preceding paragraph, these provisions are waived, and PHAs will not receive HCV ongoing administrative fees for PBV RAD units.

After this transition period, the ACC will be amended to include HCV funding that corresponds to the units covered by the ACC. At that time, the regular HCV administrative fee funding provisions will apply.

Other Capital Grant Programs

Currently SHA does not have any funded Capital Fund Community Facilities Grants or Emergency Safety and Security Grants; ~~H~~however, SHA reserves the right to submit these.

SHA also has several years of Replacement Housing Factor (RHF) funds. SHA has committed \$541,000 to the Northside, as a financial tool in closing a gap in the 78 RAD units, to be constructed in the Northside.— SHA may seek to develop one or more units of affordable housing~~public housing~~ in the City of Spartanburg~~Southside or Highland~~ area with remaining RHF, Capital or RAD funds. In addition, SHA will utilize RHF funds for RAD purposes, including expenses for RAD Physical Condition Assessments for properties where SHA has been issued

Commitment of Housing Assistance Payments (CHAPs). Fees and services associated with RAD, payment of RAD consultant fees, and in supporting financial gaps in the portfolio transition.

The Spartanburg Housing Authority has an approved Rental Assistance Demonstration Program (RAD) award for a portion of it's portfolio. ~~conversion for mixed finance properties SHA will submit amended application for Phase II.~~ The conversion of all Asset Management Properties to Project Based Rental Assistance is being completed in three phases.

Phase I

The first Phase of RAD consists of 8 properties with a total of 410 units. The RAD conversion transaction for Phase I closed in 2016.

Phase II

The second Phase of RAD consists of the 7 properties below. These properties are existing mixed finance communities that were developed under SHA's former HOPE VI program(s). The total units in each property includes both Public Housing and Non-Public Housing units.

The Public Housing units will convert to Project Based Vouchers under the RAD Program. SHA has received a Commitment to Enter into a Housing Assistance Payments Contract (CHAP) for these properties and anticipates a RAD conversion closing in 2018.

<u>EXISTING MIXED FINANCE PROPERTIES</u>	<u>TOTAL UNITS</u>	<u>RAD PROJECT BASED VOUCHERS</u>	<u>RAD CONVESION STRATEGY</u>
<u>Cedar Springs Townhomes</u>	<u>44</u>	<u>19</u>	<u>Transfer of Assistance</u>
<u>Country Garden Estates</u>	<u>50</u>	<u>10</u>	<u>Refinancing</u>
<u>Collins Park</u>	<u>100</u>	<u>24</u>	<u>Convert "as is"</u>
<u>The Ridge at Southport</u>	<u>78</u>	<u>54</u>	<u>Convert "as is"</u>
<u>Cottage Grove</u>	<u>8</u>	<u>8</u>	<u>Convert "as is"</u>
<u>Cammie Clagett Phase II</u>	<u>78</u>	<u>78</u>	<u>Transfer of Assistance</u>
<u>Single Family Houses</u>	<u>26</u>	<u>18</u>	<u>Deminimis Disposition</u>
<u>TOTAL</u>	<u>384</u>	<u>235</u>	

Cedar Springs Townhomes will convert under RAD through transfer of the assistance to Drayton at Parkside, a new senior 9% Low Income Housing Tax Credit property.

Collins Park, The Ridge at Southport and Cottage Grove will convert under the RAD Program with no new financing.

Country Garden Estates will convert through refinancing. The initial 15-year Tax Credit compliance period has expired and SHA will exercise its first right of refusal to acquire the property as sole owner. A conventional loan will be utilized to pay off the existing first mortgage and fund some rehabilitation work.

Cammie Clagett Phase II – Phase II of the Cammie Clagett RAD conversion will consist of a Transfer of Assistance (TOA) to another site. SHA has partnered with the City of Spartanburg, the Northside Development Group and Spartanburg Housing Partners, a for profit developer, to transfer the remaining 78 RAD replacement units from the Cammie Clagett development to a new construction.

Single Family Homes – The single-family homes will be disposed of under a portfolio "diminimus" disposition and will not convert to RAD units. SHA will sell the units at fair market

value under an open bid process. Alternatly SHA may elect to partner with the South Carolina Department of Mental Health to position these units for housing for persons with disabilities.

Phase III – The final Phase of the RAD conversion includes the properties listed in the chart below. SHA will procure Development Partners to assist in the redevelopment of these properties. The proposed strategy for each property is summarized below.

<u>PROPERTY</u>	<u>RAD CONVERSION UNITS</u>	<u>RAD CONVERSION STRATEGY</u>
<u>Archibald Rutledge</u>	<u>150</u>	Rehabilitation of the existing units; SHA anticipates a "Twinning concept; Once the 9% application is approved a 4% application will be submitted; Application submitted under 9% LIHTC in March 2018.
<u>Archibald Village</u>	<u>50</u>	Rehabilitation of existing units under 4% LIHTC and bond transaction.
<u>Camp Croft Courts</u>	<u>96</u>	Phased demolition and redevelopment under 4% LIHTC and bond transaction.
<u>Victoria Gardens</u>	<u>80</u>	Rehabilitation with phases construction; 9% LIHTC to be submitted in 2019.
<u>NEW MIXED INCOME PARTNERSHIP</u>		
<u>Prince Hall Apartments</u>	<u>100</u>	Section 18 Disposition and Demolition
<u>TOTAL</u>	<u>476</u>	

Archibald Rutledge and Archibald Village – SHA submitted a 9% Low Income Housing Tax Credit application in 2018 which if successful, will combine with a 4% LIHTC transaction to rehabilitate 128 of the existing 150 units. 7 units will be demolished under the RAD permissible "deminimis" demolition and the 15 remaining units will transfer assistance to another location.

Camp Croft Courts – SHA proposed to redevelop this property through an on-site two phase approach. Half of the existing residents will be temporarily relocated to allow for demolition and new construction of 50% of the apartments. Upon completion of the first phase, a second phase will be done in the same manner with the intent to replace all units on the site under at 4%/bond transaction.

Victoria Gardens – The RAD conversion strategy for Victoria Gardens is substantial rehabilitation with submission of a 9% Low Income Housing Tax Credit application in 2019. The rehab would be done using phases construction to minimize off-site relocation.

Prince Hall – The redevelopment strategy for Prince Hall is to submit a Section 18 disposition based on obsolescence and secure tenant protection vouchers. Residents will have the opportunity to elect permanent relocation options that will include Project Based Vouchers or a Tenant Protection Voucher. SHA will provide intensive relocation case management services and all benefits under URA. SHA will "bank" the land until such time that a redevelopment opportunity arises for the location of the site.

Phase I

The first Phase of RAD consists of 8 properties with a total of 410 units. The RAD conversion transaction for Phase I closed in 2016.

Phase II

The second Phase of RAD consists of the 7 properties below. These properties are a combination of existing mixed finance communities that were developed under SHA's former HOPE VI program(s). The total units in each property includes both Asset Management and Non Asset Management units. The Asset Management units will convert to Project Based Vouchers under

the RAD Program. SHA has received a Commitment to Enter into a Housing Assistance Payments Contract (CHAP) for these properties and anticipates a RAD conversion closing in 2017.

See Table on Next Page

(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project based units and general locations, and describe how project basing would be consistent with the PHA Plan.

EXISTING MIXED-FINANCE PROPERTIES	TOTAL UNITS	RAD-PROJECT BASED VOUCHERS
Country Garden Estates	50	10
Cedar Springs Townhomes	44	19
Collins Park	100	24
The Ridge at Southport	78	54
Cottage Grove	8	8
NEW MIXED INCOME PARTNERSHIP		
Cammie Clagett Phase II	78	78
DIMINIMUS DISPOSITION		
Single Family Houses	26	18
TOTAL	384	235

Cedar Springs Townhomes, Collins Park, The Ridge at Southport and Cottage Grove will convert under the RAD Program with no new financing.

Country Garden Estates will convert through refinancing. The initial 15-year Tax Credit compliance period has expired and SHA will exercise its first right of refusal to acquire the property as sole owner. A conventional loan will be utilized to pay off the existing first mortgage and fund some rehabilitation work.

Cammie Clagett Phase II—Phase II of the Cammie Clagett RAD conversion will consist of a Transfer of Assistance (TOA) to another site. SHA has partnered with the City of Spartanburg, the Northside Development Group and Spartanburg Housing Partners, a for profit developer, to transfer the remaining 78 RAD replacement units from the Cammie Clagett development to a new construction.

Single Family Homes—The single family homes will be disposed of under a portfolio “diminimus” disposition and will not convert to RAD units. SHA will sell the units at fair market value under an open bid process.

Phase III—The final Phase of the RAD conversion includes the properties listed in the chart below. SHA will procure Development Partners to assist in the redevelopment of these properties. The proposed strategy for each property is summarized below.

PROPERTY	RAD CONVERSION UNITS	PROPOSED CONVERSION PLAN
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Archibald Rutledge	150	Transfer of Assistance—Disposition
Archibald Village	50	Transfer of Assistance—Disposition
Camp Croft Courts	96	On Site Demolition and New Construction
Victoria Gardens	80	On Site Rehabilitation or Demolition determined by TDC.
NEW MIXED INCOME PARTNERSHIP		
Prince Hall Apartments	100	Section 18 Disposition and Demolition
TOTAL	476	

Archibald Rutledge and Archibald Village—SHA proposes to transfer the RAD assistance from the existing properties to other properties throughout Spartanburg County. SHA will work with for profit and non-profit developers as well as existing property owners to determine multiple locations for placement of RAD PBV contracts. Upon completion of the TOA, SHA will dispose of the existing buildings and land at fair market value through a competitive bid process. SHA may propose development of units to support this transition, to the extent that development and financing tools are available.

Camp Croft Courts—SHA proposed to redevelop this property through an on-site two phase approach. Half of the existing residents will be temporarily relocated to allow for demolition and new construction of 50% of the apartments. Upon completion of the first phase, a second phase will be done in the same manner with the intent to replace all units on the site.

Victoria Gardens—The RAD conversion strategy for Victoria Gardens is a “sale” and rehabilitation of the existing buildings. SHA proposes to form a partnership and using tax exempt bond proceeds and 4% Low Income Housing Tax credits compete substantial rehabilitation of Victoria Gardens. The level of construction work to be performed will require temporary relocation but the rehabilitation work will be phased to minimize any off-site relocation. In the event that rehabilitation is not financially feasible, SHA will consider demolition and new construction to insure one for one replacement, to the extent that development and financing tools are available.

Prince Hall—The redevelopment strategy for Prince Hall is to submit a Section 18 disposition based on obsolescence and secure tenant protection vouchers. Residents will have the opportunity to elect permanent relocation options that will include Project Based Vouchers or a Tenant Protection Voucher. SHA will provide intensive relocation case management services and all benefits under URA. SHA will “bank” the land until such time that a redevelopment opportunity arises for the location of the site.

SHA will seek to develop through sale; or ~~through~~ development/financial partnerships ~~for the up to~~ 130 acres of property at Page Lakes. SHA will consider the possible use of this property as a solar farm also look to secure a solar farm on this property.

SHA intends to donate the Cammie Clagett office building to the City of Spartanburg in order to complete the transition of the property. The remaining units have been sold and are currently being demolished by the City of Spartanburg.

B.3	<p>Civil Rights Certification.</p> <p>Form HUD-50077-CRT-SM, PHA Certifications of Compliance with the PHA Plans and Related Regulations, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
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Civil Rights Certification
(Qualified PHAs)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0226
Expires 02/29/2016

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official, I approve the submission of the 5-Year PHA Plan for the PHA of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the public housing program of the agency and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those program, addressing those impediments in a reasonable fashion in view of the resources available and working with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.

Housing Authority of the City of Spartanburg
PHA Name

SC003
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official
Charles White

Title
Chairman of Board of Commissioners

Signature

Date 06/26/2018

B.4	<p>Most Recent Fiscal Year Audit. (please see attachment, noted as Audit)</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p>
B.5	<p>Report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan</p> <p>Progress Report.</p> <p>1. HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.</p> <p>1. In 20165 SHA constructed additional public housing Asset Management units on Brawley Street as a part of the Choice Neighborhood initiative for the Northside. The 3 duplex units (total of 6 units) were constructed utilizing primarily Replacement Housing Factor (RHF) Funds. In addition, SHA is working closely worked closely with Spartanburg County to construct 8 affordable one bedroom units for seniors on SHA Property located at the Page Lake Property site. These initial 8 one bedroom units were ill be were constructed primarily with HOME Funds from Spartanburg County; although, SHA will provided a small portion of funds through a private mortgage which will be repaid by net operating income over a period of several years. The total cost of the project is \$1,024,865 with the County providing \$703,602 and SHA providing \$321,262. SHA completed construction of eight units at Page Lakes. The County of Spartanbug contributed significantly to the cost of this project by committing home funds. The total development cost was \$1,074,773.89 with SHA providing a loan of \$200,000.00 and a donation of \$197,377.15 in order to close the gap in the Profora. The certificate of occupancy was received on September 9th - at and October 10th in 2016. removed and replaced with vinyl composition flooring. The old offices, copier room, mail room, and front desk also received vinyl composition flooring. JC Bull office and community room received minor improvements such as painting, new energy efficient lighting, and vinyl composition flooring. A new wall was also constructed inside the community room to create an office space for the Multi Family Coordinator. JC Bull office and eight of the 100 units received new HVAC units. In 2017 SHA selected a Fee Developer to help reposition the remaining units in it's portfolio to RAD. Five scattered site homes received improvements that included new energy efficient windows, carpet, paint, vinyl flooring, and new HVAC units. Exterior improvements to the scattered sites included new roofing, sewer line repairs, asphalt paving, and seal coating. Several buildings and units at Camp Croft and Prince Hall were re-roofed. A total of six roofs were done at Camp Croft and four at Prince Hall.</p> <p>2.1 Leverage: During the year SHA Benefited from the successful leverage of 9% Low Income Housing Tax Credits for the Development of Highland Crossing representing \$7.5 million. In addition, SHA is in the process of constructing 8 Senior Units at Page Lake with an approximate cost of \$1 million.</p> <p>3.2 Acquire or build Over the past year SHA has completed the construction of 3 Public Housing Asset Management duplexes, totaling 6 units on Brawley Street. This small apartment complex known as Cambridge Place was constructed primarily with RHF Funds. Presently SHA is constructing constructed 8 senior units in Partnership with Spartanburg County at Page</p>

Lake. These units are being constructed primarily with the County's HOME Funds (\$703,602), but SHA is also providing \$321,262. These will be affordable HOME units for low-income families and seniors. These units are scheduled to be completed in June or October of 2016. In addition, SHA's first RAD Project is in progress. 40 units at SHA's Public Housing Asset Management Complex Cammie Clagett have been demolished. Construction is beginning now on Highland Crossing which will provide 72 units of affordable housing which will be LIHTC and Section 8 HCV Project Based. This project is scheduled to be completed in the 2017 calendar year. Forty units at Highland were constructed as a result of an approved RAD application, and demolition of 40 units at Cammie Clagett were completed, with occupancy beginning in December 2016. Vouchers for this project were provided by the State Housing Authority.

4.3. Improve the quality of assisted housing

Utilizing Capital Funds, SHA completed site improvements and building improvements which included energy and health and safety items which improved the quality of its assisted housing communities. SHA's second RAD Project is now under way. On January 14, 2016, SHA closed on its SHA7 RAD Project. This Project has converted 338 units in seven former Public Housing Asset Management Projects; Tobias, Gooch, Watson, Barksdale, Leland, Spruce and JC Anderson from Public Housing Asset Management to Tax Credit and Section 8 HCV Project Based Units. Substantial rehabilitation will be completed in every unit. Physical repairs are approximately \$10 million. This project will begin immediately and is ongoing and is scheduled to be completed in this calendar year 2017. In order to facilitate this project, it was necessary that SHA first payoff its existing Capital Fund Financing Program (CFFP) debt. HUD and the lender would not allow SHA to dispose of any additional Public Housing Asset Management units until the debt was repaid. A condition of the CFFP loan was that it could only be repaid with Capital Funds. SHA utilized the majority of its Capital Fund Program and RHF dollars to pay off its CFFP debt. This debt has now been paid off. SHA contributed to an improved quality of life for our residents by purchasing appliances to include, ranges, refrigerators, PTAC units, and water heaters. Approximately \$250,000 was committed to this project. Additionally, SHA has expended \$90,000 on various property improvements, both at the site and in individual units. SHA has expended \$53,000 in roof replacements at Camp Croft Courts and Prince Hall Apartments.

5.4. Voucher Management (SEMAP Scores)

SHA shall continue to maintain sufficient points for a High Performing Designation in the Housing Choice Voucher (HCV) Section 8 HCV Management Assessment Program (SEMAP) through monthly monitoring and increased staff training. SHA will continue to administer the HCV program in a manner that results in points necessary for designation as a High Performer.

6.5. SHA will continue to provide excellent customer service by continued staff development and training, through the use of its customer service guide.

7.6. Outreach to landlords and voucher homeownership programs

SHA has operated a voucher homeownership program now for a number of years. Since the beginning of our program, we have helped more than 60 families purchase homes through the voucher program.

The SHA will conduct owner outreach to ensure that owners are familiar with the program and its advantages. The SHA will actively recruit property owners with property located outside areas of poverty and minority concentration and develop a working relationship with the Real Estate Brokers Association.

SHA has a HUD approved Section 32 Homeownership Plan and intends to employ strategies which support the sale of the homes. The SHA will continue to develop homeownership opportunities. The SHA will seek to amend the approved Section 32 plan. ~~SHA participated in a Housing Summit in January 2016, where a presentation was made to potential HCV landlords.~~ SHA has held owner interest meetings and participates in the United Way Housing Task Force. SHA staff attends the local Realtors Association monthly meetings.

~~8.7.~~ Public Housing Asset Management site-based waiting lists:

- a. All of our Public Housing Asset Management sites have site-based waiting lists.
- b. In November of 2016, SHA launched an electronic application portal allowing applicants the opportunity to apply on-line.
- ~~b-c.~~ SHA also launched an electronic payment system, WIPPS via the Yardi system of record. -All payments accepted must now be done via WIPS or Autodraft. Approximately 80% of all rent payments are made electronically.
- d. The maintenance staff are managing work orders via smart phones. This technology has increased d response time and efficiency.
- ~~e-e.~~ Beginning in CY2018 residents will begin to utilize the resident portal to turn in documentation needed for their recertifications. SHA will make accommodations for those residents unable to comfortably access this portal.

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

- 1. SHA is administering its Family Self-sufficiency Program. ~~Weas~~ we seek to increase the wage earning capacity of low income families within targeted communities and promote self-sufficiency.
- 2. During the past year the SHA administered ROSS grants promoting job training and employment opportunities to families residing in public housing Asset Management through our Connections Program. Other grants assist senior and disabled residents to live ~~longer~~ in their own homes. SHA administers ROSS grants promoting self sufficiency through the Connections Program designed to assist our households with increased education and job readiness programs. Elderly and disabled persons are served via programs supported by HUD subsidy.
- ~~3. During the past year the SHA administered a CSS program component designed foster Job Readiness and Training, Case Management and Referrals, Counseling and Job Placement.~~
- 3. During this past year the SHA has engaged in several partnerships adding to the quality of life of our residents and their children. Our partnership with Wofford College resulted in the successful implementation of the Let's Read program at Victoria Gardens. This program focuses on engaging children ages 5-18 to enjoy reading in an interactive environment within their residential community. The SHA also partnered with Wofford in intergenerational sessions led by Wofford students with elderly and disabled residents at JC Bull, Camp Croft and Archibald Rutledge communities. These sessions focused on bridging the age gap between generations and gives the elderly an outlet and a sense of relevance. Additionally, Regenes Health Care has opened an onsite clinic at Archibald Rutledge as a proactive approach to primary care facility outside of the emergency room which helps to remove the barrier of transportation and assist in treating non-emergency medical needs.
- 4. These activities will assist the agency in increasing the income levels of families currently residing in communities with a concentration of poverty as well as helping residents

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overcome the barriers of transportation, education and child care.

~~5. Promote income mixing in public housing Asset Management by assuring access for lower income families into higher income developments:~~

~~During past years SHA implemented a preference for families previously displaced due to development activities such as HOPE VI into the return criteria for the new LIHTC communities Collins Park, Independence Place, Summer Place and the Ridge at Southport affordable housing communities to expand opportunities for lower income families to have access to income developments. Preferences have been implemented for homeless and veterans, homeless veterans would receive additional points qualifying them for a preference.~~

~~6.5 Public Housing Asset Management security improvements:~~

SHA continues its collaboration with the Spartanburg Public Safety personnel Department to host liaison officers, designated to the SHA communities.

~~7.6 SHA continues to partner with community groups and Neighborhood Watch organizations.~~

~~8.7 Designate developments or buildings~~

During the past year SHA continued its designation of Mix-Population Communities with three communities Archibald Rutledge & Village however SHA desires to designate Archibald as a senior only residence. SHA is in the process of preparing an application/request for this designation which it may submit soon.

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

1. SHA will continue to promote self-sufficiency and asset development. Our Housing Choice Voucher (HCV) Section 8 HCV and Public Housing Asset Management FSS Programs will continue to be offered. Non-Public Housing Asset Management FSS families are able to participate in employment readiness and educational opportunities and through the Connections Program, as grant funding permits. ~~SHA administered a will complete close out for the Face Forward Program as this program has ended, as well as a The YouthBuild program funded by the Department of Labor will be in it's last year of the program and will complete follow-up consist with DOL regulations grant goals. The program Both offered residents of Spartanburg ages 16-24 an opportunity to earn their high school diploma, or GED, learn valuable life skills, and job training. Participants earned a stipend while in the program. More importantly they Participated in the building several Habitat Homes.~~
2. The FSS and Connections programs continue to leverage community resources which support resident activities in the areas of education, health and job readiness.
3. SHA has computer labs based in all Public Housing Asset Management neighborhoods. The resident computer labs allow the residents internet access where they are able to stay up-to date with the SHA Facebook, Twitter, and Instagram accounts. ~~Do we really want to talk about Social Media?~~ Computer labs allow the residents to search for jobs, do homework and search the internet. SHA provides access to computer labs with internet access at all Asset Management communities.

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

SHA will adhere to all Fair Housing required regulations in its operations.

SHA will provide annual Fair Housing training to all staff members.

5. Other PHA Goals and Objectives: (list below)

1. SHA continues to administer a YouthBuild ~~and a Face Forward~~ Program to train and assist participants in completing educational goals and preparing work/business opportunities with funding from the Department of Labor. ~~SHA continues to administer a YoutBuild program. One Two~~ Habitat Homes ~~have~~ been completed with support from this program. ~~A second home is scheduled to be constructed during the next fiscal year. YouthBuild is in its final year of this grant and will continue with student follow up consistent with the grant goals.~~
- 1.2. SHA will ~~continue to seek a partnership with~~ ~~seek to partner with~~ NACA to increase homeownership opportunities for HCV participants
- 2.3. SHA will seek to leverage ~~\$1.2mil funds~~ from the City of Spartanburg's NIP funds for the demolition of ~~Camp Croft~~ ~~Cammie Clagett~~. This will be accomplished ~~in accordance with State of S. C. and City of Spartanburg requirements. through the sale of individual units at the property to qualified nonprofits, lead by the City of Spartanburg as the responsible entity.~~
- 3.4. SHA will conduct market studies in association with RAD transitions.
4. ~~SHA will solicit Development and Financial partners for support in the reposition of the remaining units in the portfolio.~~
5. SHA will ~~provide information to the community through the RAD Community Committee meetings. engage consultants to assist with Community Education regarding RAD.~~
- 5.6. SHA ~~may~~will consider retraining some of its existing staff ~~as the properties transition and both funding and opportunity are available.~~ ~~SHA will temporarily relocate residents impacted by RAD during construction or demolition.~~ ~~and may contract with consultants to assist with resident relocation as a result of RAD transitions.~~
7. ~~6.~~ SHA may reposition or reduce staff as a result of RAD transitions.
8. SHA will continue to work in partnership with Wofford College through ~~an~~ MOU where students offer stimulating conversation and discussions to the elderly and disabled residents through intergenerational sessions. These sessions allow the residents and students to share experiences, knowledge and skills that are mutually beneficial. The interaction meets the need of both by fostering growth, understanding and developing friendship between the generations.
9. SHA will work in partnership with Wofford College through a MOU where students provide oversight and ideas for SHA's Let's Read program in the Victoria Garden community. Students will work with children ages 5-18 in an after-school reading program that will help children public housing develop a lifelong love of reading. This reading program will play an important role in providing literacy-related activities and events enriched reading experiences, encouraging children to read themselves, hear stories read aloud and write about what they read. SHA will continue to work in partnership with United Way to serve parents and caregivers of young children ages 0-3 in encouraging early learning through the Born Learning Initiative in which SHA has Born Learning Centers at Prince Hall and Victoria Gardens. This initiative is used as a tool for long-lasting community change that will support parents and caregivers with age-appropriate manipulatives, activity kits and a lending library.
10. SHA will seek to relocate the Central Office Call Center (COCC).

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B.6

Resident Advisory Board (RAB) Comments. (see the following pages)

(a) Did the RAB(s) provide comments to the PHA Plan?

Y N
☒ ☐

(b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.



**Resident Advisory Board
Sign-In Sheet &
RAB Committee Questions**

April 26, 2018

Resident Advisory Board Meeting

Sign-In Sheet

April 26, 2018

1. Kateenia Robinson (Archibald Rutledge)
2. Douglas Salter Archibald
3. Yvette W. Hughes Prince Hall Lw
4. Dorothy Mallory Prince Hall Lw
5. Natalie Smith (staff)
6. Mary Ferguson CCC
7. Terre Bates
8. Darius
9. Lynne
10. (Angela Leopard)
11. Joseph C Jackson
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____

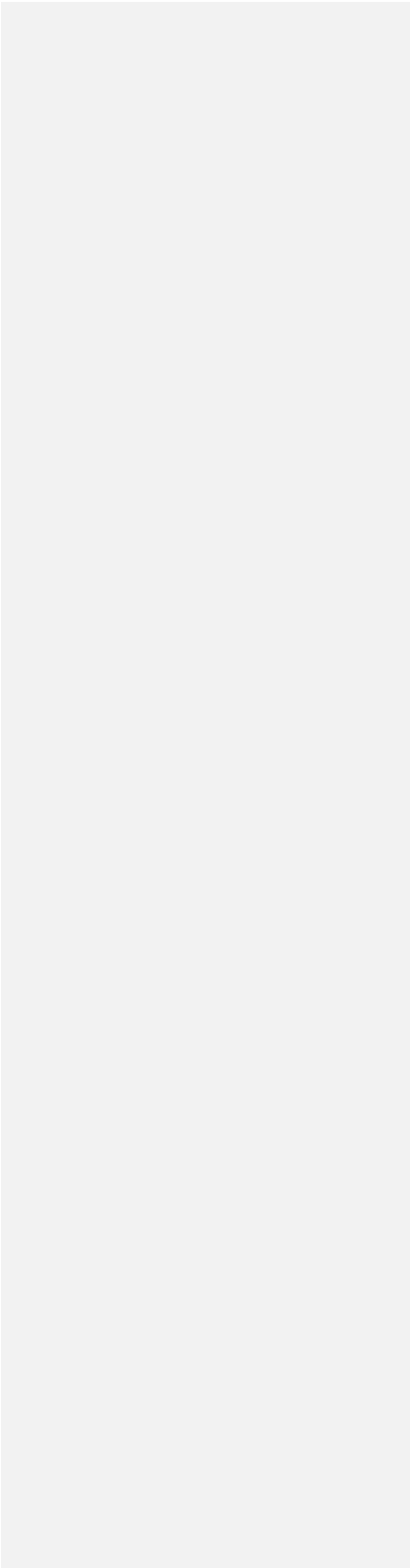


WWW.SHASC.ORG

Questions from Resident Advisory Board Meeting held on 04.26.18

1. Are we having a breakfast this summer?
2. Do I get my job back this summer?
3. Are you going to have snacks?
4. My Section Eight voucher will run out in 60 days and it doesn't give me enough time.
5. Archibald is the first one on the list and my apartment is right on the 1st line, what they are doing will it impact us? Will we have to move? Is it a safety issue?
6. Lunch for the kids, like to know about that?
7. We wanted to talk about having something for Mother's day ?

	<p>Certification by State or Local Officials.</p> <p>Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>



**Certification by State or Local
Official of PHA Plans Consistency
with the Consolidated Plan or
State Consolidated Plan
(All PHAs)**

U. S Department of Housing and Urban Development

Office of Public and Indian Housing

OMB No. 2577-0226

Expires 2/29/2016

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

I, Ed Memmott, the City Manager
Official's Name *Official's Title*

certify that the 5-Year PHA Plan and/or Annual PHA Plan of the

Housing Authority of the City of Spartanburg, South Carolina
PHA Name

is consistent with the Consolidated Plan or State Consolidated Plan and the Analysis of
Impediments (AI) to Fair Housing Choice of the

City of Spartanburg, South Carolina
Local Jurisdiction Name

pursuant to 24 CFR Part 91.

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State
Consolidated Plan and the AI.

1. Reduction of families in poverty and increasing family self-sufficiency.
2. Support Fair Housing Initiatives and address homelessness with local organizations.
3. Provide funding for affordable housing - coordinate with other local organizations.
4. Support of employment and job training programs.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Ed Memmott

Signature



Title

City Manager

Date

May 11, 2018

B.8	Troubled PHA. (a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place? Y N N/A <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> (b) If yes, please describe:
C.	Statement of Capital Improvements. Required for all PHAs completing this form that administer public housing Asset Management and receive funding from the Capital Fund Program (CFP).

C.1	Capital Improvements. Attached please find a copy of the Spartanburg Housing Authority's most recently HUD-approved 5-Year Action Plan (HUD-50075.2) which was approved by HUD on <u>April 13, 2016</u> (copy of HUD letter attached) and by SHA's Board of Commissioners on July 5, 2017. Copies of the Board Resolutions are also attached. Attached is a copy of the most recent HUD approved Captial Fund Budget. With this Annual and 5-Year Plan submittal SHA is also submitting a new Capital Fund Program –Five-Year Action Plan form HUD-50075.2 for the years 201 <u>9</u> 8 – 202 <u>3</u> 2 for approval by HUD. Please find attached a copy of this Plan.
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U. S. Department of Housing and Urban Development

South Carolina State Office
Strom Thurmond Federal Building
1835 Assembly Street
Columbia, South Carolina 29201-2480

August 16, 2017

Ms. Terril Bates
Executive Director
Spartanburg Housing Authority
2271 South Pine Street
Spartanburg, SC 29302

Subject: 2017 Capital Fund Program Approval

Dear Ms. Bates:

We are pleased to inform you that your Fiscal Year 2017 Capital Fund Program (CFP) and/or Replacement Housing Fund grant(s) has been approved. Attached are the approved Annual Statement(s), Annual Contributions Contract Amendment(s) and CFP Five Year Action Plan. Please note that if your agency's CFP Five Year Action Plan was approved in HUD's Energy and Performance Information Center (EPIC) system, then we are only enclosing a copy of the approved Annual Contribution Contract (ACC) Amendment(s).

By signing the ACC Amendment, your PHA has agreed to comply with the CFP statute (i.e., Section 9 of the United States Housing Act of 1937, as amended) and the Capital Fund Final regulation effective November 25, 2013, found at 24 CFR Part 905.

Although our office has approved the enclosed Annual Statement(s), please note that all CFP grants awarded after November 25, 2013, must comply with 24 CFR Part 905 which was published in the Federal Register on October 24, 2013. This comprehensive Final Rule updated the previously issued regulations and made further revisions to the CFP and related program requirements. The Final Rule provided clarification regarding ineligible activities to include limitations on supportive and security services.

The CFP Final Rule effective November 25, 2013, clarifies that security services and supportive services are generally considered ineligible activities. Security services include but are not limited to the following: contracts with local police departments; salaries and benefits for security guards, patrols or police officers; and the purchase or leasing of vehicles for security personnel. Supportive services include but are not limited to the following: salaries and benefits or contract costs for service providers; health and wellness activities; educational enrichment and recreational activities; and job development/placement services including the cost of professional licenses.

It should be noted that the Office of Capital Improvements (OCI) has established the following website: <http://www.hud.gov/offices/pih/programs/ph/capfund/index.cfm>. Public Housing Authorities (PHAs) should regularly check the OCI site to ensure they have the most recent communications concerning the Capital Fund Program.

Should you have any questions, please contact your point of contact in our Columbia Field Office.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric Bickley".

Eric Bickley
Director
Public Housing Program Center

2017 Capital Fund

Capital Fund Program (CFP) Amendment

To The Consolidated Annual Contributions
Contract (form HUD-53012)

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

Whereas, (Public Housing Authority)	HOUSING AUTHORITY OF SPARTANBURG	SC003	(herein called the "PHA")
and the United States of America, Secretary of Housing and Urban Development (herein called "HUD") entered into Consolidated Annual Contributions Contract(s) ACC(s) Numbers(s) A4085 dated 12/10/2001			

Whereas, HUD has agreed to provide CFP assistance, upon execution of this Amendment, to the PHA in the amount to be specified below for the purpose of assisting the PHA in carrying out development, capital and management activities at existing public housing projects in order to ensure that such projects continue to be available to serve low-income families. HUD reserves the right to provide additional CFP assistance in this FY to the PHA. HUD will provide a revised ACC Amendment authorizing such additional amounts.

\$ \$162,926.00 for Fiscal Year 2017 to be referred to under Capital Fund Grant Number SC16R00350217
PHA Tax Identification Number (TIN): On File DUNS Number: On File

Whereas, HUD and the PHA are entering into the CFP Amendment Number 59

Now Therefore, the ACC(s) is (are) amended as follows:

1. The ACC(s) is (are) amended to provide CFP assistance in the amount specified above for development, capital and management activities of PHA projects. This CFP Amendment is a part of the ACC(s).

2. The PHA must carry out all development, capital and management activities in accordance with the United States Housing Act of 1937 (the Act), 24 CFR Part 905 (the Capital Fund Final rule) published at 78 Fed. Reg. 63748 (October 24, 2013), as well as other applicable HUD requirements, except that the limitation in section 9(g)(1) of the Act is increased such that of the amount of CFP assistance provided for under this CFP amendment only, the PHA may use no more than 25 percent for activities that are eligible under section 9(e) of the Act only if the PHA's HUD-approved Five Year Action Plan provides for such use; however, if the PHA owns or operates less than 250 public housing dwelling units, such PHA may continue to use the full flexibility in section 9(g)(2) of the Act.

3. The PHA has a HUD-approved Capital Fund Five Year Action Plan and has complied with the requirements for reporting on open grants through the Performance and Evaluation Report. The PHA must comply with 24 CFR 905.300 of the Capital Fund Final rule regarding amendment of the Five Year Action Plan where the PHA proposes a Significant Amendment to the Capital Fund Five Year Action Plan.

4. For cases where HUD has approved a Capital Fund Financing Amendment to the ACC, HUD will deduct the payment for amortization scheduled payments from the grant immediately on the effective date of this CFP Amendment. The payment of CFP funds due per the amortization scheduled will be made directly to a designated trustee within 3 days of the due date.

5. Unless otherwise provided, the 24 month time period in which the PHA must obligate this CFP assistance pursuant to section 9(j)(1) of the Act and 48 month time period in which the PHA must expend this CFP assistance pursuant to section 9(j)(5) of the Act starts with the effective date of this CFP amendment (the date on which CFP assistance becomes available to the PHA for obligation). Any additional CFP assistance this FY will start with the same effective date.

6. Subject to the provisions of the ACC(s) and paragraph 3, and to assist in development, capital and management activities, HUD agrees to disburse to the PHA or the designated trustee from time to time as needed up to the amount of the funding assistance specified herein.

7. The PHA shall continue to operate each public housing project as low-income housing in compliance with the ACC(s), as amended, the Act and all HUD regulations for a period of twenty years after the last disbursement of CFP assistance for modernization activities for each public housing project or portion thereof and for a period of forty years after the last distribution of CFP

assistance for development activities for each public housing project and for a period of ten years following the last payment of assistance from the Operating Fund to each public housing project. However, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing project(s) under the ACC(s) and which is not eligible for forgiveness, and provided further that, no disposition of any project covered by this amendment shall occur unless approved by HUD.

8. The PHA will accept all CFP assistance provided for this FY. If the PHA does not comply with any of its obligations under this CFP Amendment and does not have its Annual PHA Plan approved within the period specified by HUD, HUD shall impose such penalties or take such remedial action as provided by law. HUD may direct the PHA to terminate all work described in the Capital Fund Annual Statement of the Annual PHA Plan. In such case, the PHA shall only incur additional costs with HUD approval.

9. Implementation or use of funding assistance provided under this CFP Amendment is subject to the attached corrective action order(s).
(mark one): ☐ Yes ☒ No

10. The PHA is required to report in the format and frequency established by HUD on all open Capital Fund grants awarded, including information on the installation of energy conservation measures.

11. If CFP assistance is provided for activities authorized pursuant to agreements between HUD and the PHA under the Rental Assistance Demonstration Program, the PHA shall follow such applicable statutory authorities and all applicable HUD regulations and requirements. For total conversion of public housing projects, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing projects(s) under the ACC(s) and which is not eligible for forgiveness, and provided further that, no disposition or conversion of any public housing project covered by these terms and conditions shall occur unless approved by HUD. For partial conversion, the PHA shall continue to operate each non-converted public housing project as low-income housing in accordance with paragraph 7.

12. CFP assistance provided as an Emergency grant or a Safety and Security grant shall be subject to a 12 month obligation and 24 month expenditure time period. CFP assistance provided as a Natural Disaster grant shall be subject to a 24 month obligation and 48 month expenditure time period. The start date shall be the date on which such funding becomes available to the PHA for obligation. The PHA must record the Declaration(s) of Trust within 60 days of the effective date or HUD will recapture the funds.

The parties have executed this CFP Amendment, and it will be effective on 8/16/2017. This is the date on which CFP assistance becomes available to the PHA for obligation.

U.S. Department of Housing and Urban Development

By [Signature] Date: 8/16/17
Title Eric A. Bickley
Director

Public Housing Program Center
Previous versions obsolete

PHA (Executive Director or authorized agent)

By [Signature] Date: 7/21/17
Title CEO

2017 Capital Fund

Capital Fund Program (CFP) Amendment

To The Consolidated Annual Contributions
Contract (form HUD-53012)

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

Whereas, (Public Housing Authority)	HOUSING AUTHORITY OF SPARTANBURG	SC003	(herein called the "PHA")
and the United States of America, Secretary of Housing and Urban Development (herein called "HUD") entered into Consolidated Annual Contributions Contract(s) ACC(s) Numbers(s) A4085 dated 12/10/2001			

Whereas, HUD has agreed to provide CFP assistance, upon execution of this Amendment, to the PHA in the amount to be specified below for the purpose of assisting the PHA in carrying out development, capital and management activities at existing public housing projects in order to ensure that such projects continue to be available to serve low-income families. HUD reserves the right to provide additional CFP assistance in this FY to the PHA. HUD will provide a revised ACC Amendment authorizing such additional amounts.

\$ 926,447.00 for Fiscal Year 2017 to be referred to under Capital Fund Grant Number SC16P00350117
PHA Tax Identification Number (TIN): On File DUNS Number: On File

Whereas, HUD and the PHA are entering into the CFP Amendment Number 58

Now Therefore, the ACC(s) is (are) amended as follows:

1. The ACC(s) is (are) amended to provide CFP assistance in the amount specified above for development, capital and management activities of PHA projects. This CFP Amendment is a part of the ACC(s).
2. The PHA must carry out all development, capital and management activities in accordance with the United States Housing Act of 1937 (the Act), 24 CFR Part 905 (the Capital Fund Final rule) published at 78 Fed. Reg. 63748 (October 24, 2013), as well as other applicable HUD requirements, except that the limitation in section 9(g)(1) of the Act is increased such that of the amount of CFP assistance provided for under this CFP amendment only, the PHA may use no more than 25 percent for activities that are eligible under section 9(e) of the Act only if the PHA's HUD-approved Five Year Action Plan provides for such use; however, if the PHA owns or operates less than 250 public housing dwelling units, such PHA may continue to use the full flexibility in section 9(g)(2) of the Act.
3. The PHA has a HUD-approved Capital Fund Five Year Action Plan and has complied with the requirements for reporting on open grants through the Performance and Evaluation Report. The PHA must comply with 24 CFR 905.300 of the Capital Fund Final rule regarding amendment of the Five Year Action Plan where the PHA proposes a Significant Amendment to the Capital Fund Five Year Action Plan.
4. For cases where HUD has approved a Capital Fund Financing Amendment to the ACC, HUD will deduct the payment for amortization scheduled payments from the grant immediately on the effective date of this CFP Amendment. The payment of CFP funds due per the amortization scheduled will be made directly to a designated trustee within 3 days of the due date.
5. Unless otherwise provided, the 24 month time period in which the PHA must obligate this CFP assistance pursuant to section 9(j)(1) of the Act and 48 month time period in which the PHA must expend this CFP assistance pursuant to section 9(j)(5) of the Act starts with the effective date of this CFP amendment (the date on which CFP assistance becomes available to the PHA for obligation). Any additional CFP assistance this FY will start with the same effective date.
6. Subject to the provisions of the ACC(s) and paragraph 3, and to assist in development, capital and management activities, HUD agrees to disburse to the PHA or the designated trustee from time to time as needed up to the amount of the funding assistance specified herein.
7. The PHA shall continue to operate each public housing project as low-income housing in compliance with the ACC(s), as amended, the Act and all HUD regulations for a period of twenty years after the last disbursement of CFP assistance for modernization activities for each public housing project or portion thereof and for a period of forty years after the last distribution of CFP

assistance for development activities for each public housing project and for a period of ten years following the last payment of assistance from the Operating Fund to each public housing project. However, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing project(s) under the ACC(s) and which is not eligible for forgiveness, and provided further that, no disposition of any project covered by this amendment shall occur unless approved by HUD.

8. The PHA will accept all CFP assistance provided for this FY. If the PHA does not comply with any of its obligations under this CFP Amendment and does not have its Annual PHA Plan approved within the period specified by HUD, HUD shall impose such penalties or take such remedial action as provided by law. HUD may direct the PHA to terminate all work described in the Capital Fund Annual Statement of the Annual PHA Plan. In such case, the PHA shall only incur additional costs with HUD approval.

9. Implementation or use of funding assistance provided under this CFP Amendment is subject to the attached corrective action order(s).
(mark one): ☐ Yes ☒ No

10. The PHA is required to report in the format and frequency established by HUD on all open Capital Fund grants awarded, including information on the installation of energy conservation measures.

11. If CFP assistance is provided for activities authorized pursuant to agreements between HUD and the PHA under the Rental Assistance Demonstration Program, the PHA shall follow such applicable statutory authorities and all applicable HUD regulations and requirements. For total conversion of public housing projects, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing projects(s) under the ACC(s) and which is not eligible for forgiveness, and provided further that, no disposition or conversion of any public housing project covered by these terms and conditions shall occur unless approved by HUD. For partial conversion, the PHA shall continue to operate each non-converted public housing project as low-income housing in accordance with paragraph 7.

12. CFP assistance provided as an Emergency grant or a Safety and Security grant shall be subject to a 12 month obligation and 24 month expenditure time period. CFP assistance provided as a Natural Disaster grant shall be subject to a 24 month obligation and 48 month expenditure time period. The start date shall be the date on which such funding becomes available to the PHA for obligation. The PHA must record the Declaration(s) of Trust within 60 days of the effective date or HUD will recapture the funds.

The parties have executed this CFP Amendment, and it will be effective on 8/16/2017. This is the date on which CFP assistance becomes available to the PHA for obligation.


U.S. Department of Housing and Urban Development
By


Title **Eric A. Bickley**
Director

Public Housing Program Center

Date: 8/16/17

PHA (Executive Director or authorized agent)
By


Title **CEO**

Date: 7/21/17

Previous versions obsolete

form HUD-52840-A OMB Approval No. 2577-0157 (exp. 03/31/2020)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary					
PHA Name: Spartanburg Housing Authority		Grant Type and Number Capital Fund Program Grant No: SC16P00350117 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2017 FFY of Grant Approval:
Type of Grant <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	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements	\$91,157			
4	1410 Administration (may not exceed 10% of line 21)	\$92,645			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$100,000			
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	\$7,827			
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	\$634,818			

¹ To be completed for the Performance and Evaluation Report.


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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary					
PHA Name: Spartanburg Housing Authority		Grant Type and Number Capital Fund Program Grant No: SC16P00350117 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant:2017 FFY of Grant Approval:	
Type of Grant <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	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$926,447			
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director 		Date 7/24/2017		Signature of Public Housing Director 	
				8/16/17 Date	

¹ To be completed for the Performance and Evaluation Report.

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Eric A. Bickley
Director
Public Housing Program Center

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 06/30/2017

Part II: Supporting Pages								
PHA Name: Spartanburg Housing Authority			Grant Type and Number Capital Fund Program Grant No: SCP00350117 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FFY of Grant: 2017		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
PHA-Wide	Staff Development	1408		\$91,157				
PHA-Wide	CFP Staff Salaries	1410		\$92,645				
PHA-Wide	Architect and Engineering; Inspections; Legal Fees	1430		\$100,000				
Country Garden Estate	Dishwasher, stove, refrigerators, HVAC, Building Renovations & Improvements, Landscaping	1460		\$7827				
PHA-Wide	Development Activities	1499		\$634,818				
	GRAND TOTAL			\$926,447				

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

² To be completed for the Performance and Evaluation Report.

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 08/30/2011

Part I: Summary						
Spartanburg Housing Authority		Spartanburg, SC		Original 5-Year Plan		Revision No:
A.	Development Number and Name	Work Statement for Year 1 FFY 2017	Work Statement for Year 2 FFY 2018	Work Statement for Year 3 FFY 2019	Work Statement for Year 4 FFY 2020	Work Statement for Year 5 FFY 2021
B.	Physical Improvements Subtotal	Annual Statement	\$7,827	\$7,827	\$7,827	\$7,827
C.	Management Improvements		\$91,157	\$91,157	\$91,157	\$91,157
D.	PHA-Wide Non-dwelling Structures and Equipment					
E.	Administration		\$92,645	\$92,645	\$92,645	\$92,645
F.	Other		\$100,000	\$100,000	\$100,000	\$100,000
G.	Operations					
H.	Demolition					
I.	Development		\$634,818	\$634,818	\$634,818	\$634,818
J.	Capital Fund Financing—Debt Service					
K.	Total CFP Funds					
L.	Total Non-CFP Funds					
M.	Grand Total		\$926,447	\$926,447	\$926,447	\$926,447

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/20011

Part I: Summary (Continuation)[illegible]

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/20011

Part II: Supporting Pages -- Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2017	Work Statement for Year 2 FFY 2018			Work Statement for Year 3 FFY 2019		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
	See					
Annual	SC000300170/Country Garden Estates			SC00300170/Country Garden Estates		\$7826.50
Statement	Dishwasher	2	\$630.84			
	Stove	2	\$1,185.08			
	Refrigerators	2	\$1,291.08			
	HVAC Condensing Units	1	\$1,200			
	HVAC	1	\$780			
	Paint Womens bathroom	1	\$250			
	Mail box post	25	\$1250			
	Patio Screens	10	\$539.50			
	Landscaping		\$700.00			
Subtotal of Estimated Cost			\$7826.50	Subtotal of Estimated Cost \$7826.50		

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/20011

Part II: Supporting Pages – Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2017	Work Statement for Year 4			Work Statement for Year 5		
	FFY 2020			FFY 2021		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See						
Annual						
Statement						
	Subtotal of Estimated Cost		\$	Subtotal of Estimated Cost		\$

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2001

Part III: Supporting Pages – Management Needs Work Statement(s)

Work Statement for Year 1 FFY 2017	Work Statement for Year 2018		Work Statement for Year 2019	
	FFY 2018		FFY 2019	
	Development Number/Name General Description of Major Work Categories	Estimated Cost	Development Number/Name General Description of Major Work Categories	Estimated Cost
See				
Annual Statement	Agency Wide Staff Development	\$91,157	Agency Wide Staff Development	\$91,157
	Subtotal of Estimated Cost	\$91,157	Subtotal of Estimated Cost	\$91,157

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/20011

Work Statement for Year 1 FFY 2017	Work Statement for Year 2020		Work Statement for Year 2021	
	FFY 2020		FFY 2021	
	Development Number/Name General Description of Major Work Categories	Estimated Cost	Development Number/Name General Description of Major Work Categories	Estimated Cost
See				
Annual Statement	Agency Wide Staff Development	\$91,157		\$91,157
	Subtotal of Estimated Cost	\$91,157	Subtotal of Estimated Cost	\$91,157

Eric A. Blockley
Director
Public Housing Program Center

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 06/30/2017

Part I: Summary		
PHA Name: Spartanburg Housing Authority	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: SC16R00350217 Date of CFFP:	FFY of Grant: 2017 FFY of Grant Approval:

Type of Grant <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	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
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5	1411 Audit				
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7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	\$162,926			

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

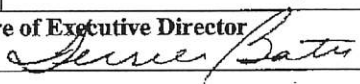
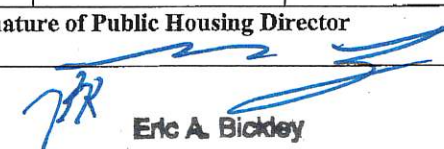
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¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

²To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary					
PHA Name: Spartanburg Housing Authority		Grant Type and Number Capital Fund Program Grant No: SC16R00350217 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2017 FFY of Grant Approval:	
Type of Grant <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	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	\$162,926			
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director 		Date 7/24/2017 7/24/17	Signature of Public Housing Director 		
			Date 8/16/17		

¹ To be completed for the Performance and Evaluation Report.

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Eric A. Bickley
Director
Public Housing Program Center

**Certifications of Compliance with
PHA Plans and Related Regulations
(Standard, Troubled, HCV-Only, and
High Performer PHAs)**

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 02/29/2016

**PHA Certifications of Compliance with the PHA Plan and Related Regulations including
Required Civil Rights Certifications**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 5-Year and/or Annual PHA Plan for the PHA fiscal year beginning 10/2019, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
5. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
6. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those programs, addressing those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.
7. For PHA Plans that includes a policy for site based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2010-25);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

12. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
13. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
14. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
15. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
16. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
17. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
18. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
19. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Housing Authority of the City of Spartanburg

PHA Name

SC003

PHA Number/HA Code

☒ Annual PHA Plan for Fiscal Year 2019

☒ 5-Year PHA Plan for Fiscal Years 2019 - 2023

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Name of Authorized Official
Charles White

Title Chairman of Board of Commissioners

Signature

Date 06/26/2018



Section B4

Financial Statements and Supplemental
Information with Independent Auditors
Report

**HOUSING AUTHORITY OF THE
CITY OF SPARTANBURG**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
WITH INDEPENDENT AUDITORS' REPORT**

Year Ended September 30, 2017

TABLE OF CONTENTS

Description	Pages
INDEPENDENT AUDITORS' REPORT	1-3
REQUIRED SUPPLEMENTAL INFORMATION	
Management Discussion and Analysis (MD&A)	4-10
FINANCIAL STATEMENTS	11-15
Statement of Net Position	
Statement of Revenues, Expenses, and Changes in Net Position	
Statement of Cash Flows	
Notes to the Financial Statements	16-46
REQUIRED SUPPLEMENTAL INFORMATION	47-48
Schedule of Proportionate Share of the Net Pension Liability	
Schedule of Contributions	
SUPPLEMENTAL INFORMATION	
Financial Data Schedule (FDS)	50-64
Statement and Certification of Actual Capital Fund Program Costs	65
Statement and Certification of Actual HOPE VI Program Costs	66
REPORT ON SINGLE AUDIT	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	67-68
Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	69-71
Schedule of Expenditures of Federal Awards	72
Notes to Schedule of Expenditures of Federal Awards	73
Schedule of Findings and Questioned Costs	74-75
Schedule of Prior Year Findings and Questioned Costs	76

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of Spartanburg
Spartanburg, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Spartanburg (the Authority) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority as of September 30, 2017, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and Pension Schedules on pages 4 – 10 and 47 – 48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

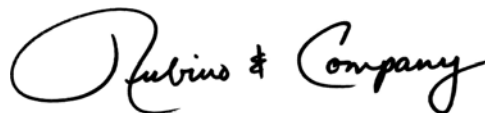
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Financial Data Schedule, Statement and Certification of Actual Capital Fund Program Costs, and Statement and Certification of Actual HOPE VI Program Costs are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements.

The Financial Data Schedule, Statement and Certification of Actual Capital Fund Program Costs, Statement and Certification of Actual HOPE VI Program Costs, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting data and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule, Statements and Certifications of Actual Capital Fund Program Costs, Statement and Certification of Actual HOPE VI Program Costs, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2018 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Rubins & Company". The signature is written in a cursive, flowing style.

Bethesda, Maryland
April 30, 2018

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Management's Discussion and Analysis

The management of the Housing Authority of the City of Spartanburg (the Authority or SHA) offers the readers of the Authority's financial statements this narrative overview and analysis of the Authority's financial activities for the year ended September 30, 2017. This discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the Authority's financial activity, identify changes in the Authority's financial position, and identify individual program issues or concerns. Readers should consider the information presented here in conjunction with the Authority's financial statements to obtain a full understanding of its financial position. The major focus of this MD&A relates to the primary government and as such excludes those items that relate to the statements of the Discrete Component unit that are presented in a separate column of the upper level financial statements.

This management's discussion and analysis is presented in accordance with the requirements of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) to allow the reader to gain an adequate understanding of the Authority's annual operating results and financial position as of September 30, 2017.

Questions concerning the information provided in this discussion or requests for additional information should be addressed to the Authority's Executive Director.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$45,073,634 (net position) as compared to \$47,197,440 for the prior fiscal year.
- The Authority's cash and investments balance as of September 30, 2017 was \$7,241,366, representing a decrease of \$361,241 from the September 30, 2016 balance of \$7,602,607. The decrease was primarily a result of decreases in revenue and pay down of debt in the current year.
- The Authority had total operating revenues of \$20,870,252 and total operating expenses of \$23,603,989 for the year ended September 30, 2017. Substantially all of the excess of expenses over revenues related to noncash items including depreciation and unfunded pension obligation.
- As a result of participation in the South Carolina Retirement System (SCRS), the Authority recognized an unfunded obligation of \$4,063,315 as of September 30, 2017. This represents an increase of \$1,594,779 from the \$2,468,536 balance as of September 30, 2016. Additional details and plan information is included in the notes to the financial statements included in this report.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Overview of the Financial Reports

The following outline describes the integral parts of this financial presentation and is a guideline for understanding its components:

- I. Management Discussion and Analysis (MD&A) - Serves as an introduction to the Authority's basic financial statements
- II. Basic Financial Statements - Authority-wide financial statements & notes to the financial statements
- III. Other Supplementary Information

The financial statements in this report are those of a special purpose governmental entity engaged in a business type activity. The following statements are included:

- Statement of Net Position – presents information about the Authority's assets and liabilities and is similar to a balance sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equal "Net Position", formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as "current" (convertible to cash within one year), and "non-current." Increases or decreases in net position will serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
- Statement of Revenues, Expenses & Changes in Net Position – reports the Authority's revenues by source and type and its expenses by category to substantiate the change in net position for the fiscal year.
- Statement of Cash Flows – discloses net cash provided by, or used for operating activities, non-capital financing activities, and capital and related financing activities.

Our analysis of the Authority as a whole follows with the most important question, "Has the Authority's financial health improved or worsened as a result of the year's activities?" The following analysis of entity-wide net position, revenues, and expenses is provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual method of accounting, which recognizes revenue when earned and expenses when incurred regardless of when cash is received or paid.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Analysis of Authority-wide Net Position (Statement of Net Position)

Spartanburg Housing Authority
Comparative Statement of Net Position
TABLE I

	2017	2016	Total Change	% Change
Cash & Investments	\$ 7,241,366	\$ 7,602,607	\$ (361,241)	-4.75%
Other Current Assets	677,373	441,091	236,282	53.57%
Other Noncurrent Assets	24,703,317	24,869,769	(166,452)	-0.67%
Capital Assets	15,644,677	17,000,675	(1,355,998)	-7.98%
Deferred Outflows	2,757,515	1,940,694	816,821	0.00%
Total Assets	\$ 51,024,248	\$ 51,854,836	\$ (830,588)	-1.60%
Current Liabilities	\$ 1,089,185	\$ 1,561,154	\$ (471,969)	-30.23%
Noncurrent Liabilities	4,643,669	3,009,265	1,634,404	54.31%
Deferred Inflows	217,760	86,977	130,783	0.00%
Total Liabilities	5,950,614	4,657,396	1,293,218	27.77%
Investment in Capital Assets	15,258,906	16,589,520	(1,330,614)	-8.02%
Restricted	24,614,974	24,455,077	159,897	0.65%
Unrestricted, as restated	5,199,754	6,152,843	(953,089)	-15.49%
Total Net Position	45,073,634	47,197,440	(2,123,806)	-4.50%
Total Liabilities & Net Position	\$ 51,024,248	\$ 51,854,836	\$ (830,588)	-1.60%

Total assets decreased by \$830,588 or 1.6%. This decrease was comprised primarily of a decrease in cash & investments of \$361,241, an increase in accounts receivable of \$236,282 and a reduction in capital assets of \$1,355,998 as discussed in Section 3 of this document. Deferred outflows increased by \$816,821 which represent amounts to be provided in the future to address the \$4.1 million unfunded pension liability that existed as of September 30, 2017.

Total liabilities increased by \$1,293,218 or 27.77%. Current liabilities decreased by \$471,969 (or 30.23%) as primarily due to lower accounts payable-vendors and Accounts Payable – HUD offset by an increase in the current portion of long-term debt. The major components that contributed to the \$1,634,404 increase in Noncurrent liabilities was the increased unfunded Pension liability and related Deferred Inflows as well as higher FSS program Escrow balances.

Total Net Position decreased by \$2,123,806 or 4.50%, which is outlined in detail on the Statement of Revenues, Expenses and Changes in Net Position.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Analysis of Entity-Wide Revenue and Expenses (Statement of Revenues, Expenses and Change in Net Position)

The following table illustrates changes in revenues and expenses from FY 2016 to FY 2017:

Spartanburg Housing Authority				
Comparative Statement of Revenues, Expenses and Changes in Net Position				
TABLE II				
	2017	2016	Total Change	% Change
Revenue				
Tenant Revenue	\$ 1,815,949	\$ 1,894,659	\$ (78,710)	-4.15%
Grant Funding	18,143,603	21,110,606	(2,967,003)	-14.05%
Interest Income	12,484	10,360	2,124	20.50%
Other Income	938,518	4,077,191	(3,138,673)	-76.98%
Total Revenue	20,910,554	27,092,816	(6,182,262)	-22.82%
Expenses				
Administration	4,880,764	3,981,613	899,151	22.58%
Tenant Services	143,439	533,827	(390,388)	-73.13%
Utilities	1,063,132	1,060,837	2,295	0.22%
Maintenance	2,262,362	2,159,045	103,317	4.79%
Protective Services	12,076	22,607	(10,531)	-46.58%
General	1,595,792	1,787,523	(191,731)	-10.73%
Interest	-	50,398	(50,398)	-100.00%
Housing Assistance Payments	12,429,735	11,460,186	969,549	8.46%
Depreciation	1,216,689	1,170,907	45,782	3.91%
Total Expenses	23,603,989	22,226,943	1,377,046	6.20%
Net Position				
Change in Net Position	(2,693,435)	4,865,873	(7,559,308)	-155.35%
Special Item	-	(746,231)	746,231	-100.00%
Extraordinary maintenance	(25,822)	(405,456)	379,634	0.00%
Gain (Loss) on disposition of assets	601,499	(4,507,325)	5,108,824	-113.34%
Equity transfer	(6,048)	-	(6,048.00)	0.00%
Beginning Net Position	47,197,440	47,990,579	(793,139)	-1.65%
Ending Net Position	\$ 45,073,634	\$ 47,197,440	\$ (2,123,806)	-4.50%

The federal government continued to fund operating grants at a level below total eligibility for the period ended September 30, 2017. With no signs of improvement in federal funding or economic conditions in the foreseeable future, the Authority is using proactive measures to review staff responsibilities and implementing cost management strategies. The Authority continuously looks for new ways to improve operations, control costs, maximize effectiveness, and demonstrate accountability.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Analysis of Entity-Wide Revenue and Expenses (Statement of Revenues, Expenses and Change in Net Position)

During the year, total operating revenue decreased from \$27,092,816 to \$20,870,252 which represents a decrease of \$6,222,564, or 22.97%. This decrease was primarily a function of the additional revenue earned from the RAD disposition transaction that occurred in 2016 and includes the loss of rent subsidy from the Low Income Public Housing (LIPH) program for these properties, a decrease in Capital Funds received of \$2,822,132, of which \$1,866,374 was used to retire the CFFP debt, as well as other income of \$2,224,260 in the prior year related to the receipt of proceeds received from the sale of the RAD program communities.

Tenant revenue decreased by \$78,710 or 4.15% mainly due to fewer units available for lease as a result of the disposal of the RAD properties that occurred during 2016. Total grant revenue decreased by \$2,967,003 or 14.05% due primarily to the decreased Capital Fund Program funding of \$2,822,132 and lower Low Rent Public Housing funding of \$193,116 which were partially offset somewhat by an increase of \$1,244,433 in the Housing Choice Voucher Program with the additional RAD program increments received. Other revenue decreased \$3,138,673 or 76.98% from fiscal year 2016 due to the amounts were inflated by the aforementioned receipt of proceeds received from the sale of the RAD program communities.

Total expenses increased by \$1,377,046 or 6.20% from FY 2016 to FY 2017. Administrative costs increased by \$899,151 or 22.58%. This increase was primarily due to the \$932,033 increase in Administrative employee benefits from 2016 for the recognition of the increased unfunded pension liability offset by a \$163,049 reduction in administrative and bookkeeping fees. The unfunded pension liability increase is a non-cash item but increases the liability due to the Authority's participation in the plan. Utilities were relatively unchanged with a \$2,295 increase (0.22%). Tenant services decreased by \$390,388 or 73.13% due primarily to lower Youthbuild expenses to coincide with reduced funding of this program in the current year. Maintenance and operations increased by \$103,317 or 4.79% due to primarily to an increase in pension related costs offset by a reduction in lower maintenance costs for Public Housing of \$64,765 and lower extraordinary maintenance costs of \$339,634 as Public Housing and JC Bull had unusually high levels of activity for this line item in 2016. Protective services decreased by \$10,531 or 46.58% partially due to no longer using residents for these services. Housing assistance payments were \$969,549 higher (8.46%) due to higher utilization levels as a result of the new RAD communities now being on-line for the entire fiscal year. Depreciation expense increased by \$45,782, or 3.91%. General expenses were \$191,731 lower than last year (a 10.73% decrease) as expenses in 2016 were higher than normal due to the RAD transaction. Interest expense decreased by \$50,398 or 100%, as a result of lower debt levels in relation to fiscal year 2016.

On a cash flow basis, the loss reflected in the financial statements of \$2,123,806 includes non-cash items of depreciation of \$1,216,689 and pension expense of \$908,741, resulting in an effective break-even of \$1,624 change in net position for the year prior to these non-cash items.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Capital Assets

During FY 2017, the Authority had total capital asset additions of \$140,716, consisting of \$30,294 in additions from Capital Fund grants, and additions funded from operations of \$110,422. Additionally, net dispositions during FY 2017 totaled \$280,025 due to the disposition of a portion of Cammie Clagett Homes that was sold in 2017. Depreciation expense was \$1,216,689, a decrease of \$1,355,998 or 7.98% for FY 2017.

Spartanburg Housing Authority
Comparative Statement of Capital Assets
TABLE III

	2017	2016	Total Change	% Change
Land	\$ 5,158,843	\$ 5,424,146	\$ (265,303)	-4.89%
Buildings & improvements	34,481,498	36,411,305	(1,929,807)	-5.30%
Furniture & Equipment	1,338,096	1,302,127	35,969	2.76%
Construction in progress	90,300	60,006	30,294	100.00%
	41,068,737	43,197,584	(2,128,847)	-4.93%
Accumulated Depreciation	(25,424,060)	(26,196,909)	772,849	-2.95%
Total Capital Assets	\$ 15,644,677	\$ 17,000,675	\$ (1,355,998)	-7.98%

Reconciliation of Capital Assets

Balance as of October 1, 2015	\$ 17,000,675
Additions from Capital Funds	30,294
Additions from Operations	110,422
Current period dispositions	(280,025)
Depreciation expense	<u>(1,216,689)</u>
Balance as of September 30, 2016	\$ <u>15,644,677</u>

Debt Outstanding

As of the year-end, the Authority had outstanding debt of \$385,771, which was a reduction of \$25,384 from last year's balance of \$411,155. There were no new note obligations during the year. Additional details regarding long-term debt can be found in the Notes to the Financial Statements accompanying this report.

**HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017**

Economic Factors

Several significant economic factors are present that may impact the Authority in the future.

- Congressional funding of the Department of Housing and Urban Development, including any subsidy proration.
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on utility rates, supplies and other costs.
- Health care and other insurance costs are expected to increase dramatically over the next several years especially due to the Affordable Care Act.

Financial Contact

Questions concerning any of the information provided in this Management's Discussion & Analysis should be addressed to:

Terril Bates, CEO
Housing Authority of the City of Spartanburg
2271 South Pine Street
Spartanburg, South Carolina 29302
(864) 598-6102

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENT OF NET POSITION
September 30, 2017

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Primary Government	Discretely Presented Component Units	TOTAL (Memorandum Only)
Current assets			
Cash and cash equivalents - unrestricted	\$ 4,703,638	\$ -	\$ 4,703,638
Cash and cash equivalents - restricted	2,537,728	-	2,537,728
Accounts receivables, net	437,842	-	437,842
Notes receivable, current	65,527	-	65,527
Prepaid expenses	114,204	-	114,204
Assets held for sale	59,800	-	59,800
Total current assets	7,918,739	-	7,918,739
Noncurrent assets			
Capital assets, net	15,644,677	-	15,644,677
Notes receivable, less current portion	22,376,181	-	22,376,181
Investment in joint ventures	2,186,865	-	2,186,865
Other assets	140,271	-	140,271
Total noncurrent assets	40,347,994	-	40,347,994
Total assets	48,266,733	-	48,266,733
Deferred outflows of resources			
Pension plan	2,757,515	-	2,757,515
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 51,024,248	\$ -	\$ 51,024,248

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENT OF NET POSITION
September 30, 2017

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

	Primary Government	Discretely Presented Component Units	TOTAL (Memorandum Only)
Current liabilities			
Accounts payable	\$ 743,960	\$ -	\$ 743,960
Accrued liabilities	129,134	-	129,134
Accrued compensated absences, current portion	20,224	-	20,224
Other current liabilities	50,456	-	50,456
Unearned revenue	9,197	-	9,197
Notes payable, current portion	6,462	-	6,462
Tenant security deposits	<u>129,752</u>	<u>-</u>	<u>129,752</u>
Total current liabilities	<u>1,089,185</u>	<u>-</u>	<u>1,089,185</u>
Noncurrent liabilities			
Notes payable, less current portion	379,309	-	379,309
Accrued compensated absences, less current portion	99,544	-	99,544
Trust deposits	101,501	-	101,501
Accrued pension liability	<u>4,063,315</u>	<u>-</u>	<u>4,063,315</u>
Total noncurrent liabilities	<u>4,643,669</u>	<u>-</u>	<u>4,643,669</u>
Total liabilities	<u>5,732,854</u>	<u>-</u>	<u>5,732,854</u>
Deferred inflows of resources			
Pension plan	<u>217,760</u>	<u>-</u>	<u>217,760</u>
Net position			
Net investment in capital assets	15,258,906	-	15,258,906
Restricted	24,614,974	-	24,614,974
Unrestricted	<u>5,199,754</u>	<u>-</u>	<u>5,199,754</u>
Total net position	<u>45,073,634</u>	<u>-</u>	<u>45,073,634</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 51,024,248</u>	<u>\$ -</u>	<u>\$ 51,024,248</u>

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year ended September 30, 2017

	Primary Government	Discretely Presented Component Units	TOTAL (Memorandum Only)
Operating Revenues			
Dwelling rent	\$ 1,815,949	\$ -	\$ 1,815,949
Government grants & subsidy	18,115,785	-	18,115,785
Other income	938,518	-	938,518
Total operating revenues	<u>20,870,252</u>	<u>-</u>	<u>20,870,252</u>
Operating Expenses			
Administration	4,880,764	-	4,880,764
Tenant services	143,439	-	143,439
Utilities	1,063,132	-	1,063,132
Maintenance & operations	2,262,362	-	2,262,362
Protective services	12,076	-	12,076
General expense	1,595,792	6,048	1,601,840
Housing assistance payments	12,429,735	-	12,429,735
Depreciation expense	1,216,689	-	1,216,689
Total operating expenses	<u>23,603,989</u>	<u>6,048</u>	<u>23,610,037</u>
Operating loss	(2,733,737)	(6,048)	(2,739,785)
Non-operating revenues (expenses)			
Interest income	12,484	-	12,484
Extraordinary maintenance	(25,822)	-	(25,822)
Gain on sale of capital assets	601,499	2,779,281	3,380,780
Net non-operating revenues (expenses)	<u>588,161</u>	<u>2,779,281</u>	<u>3,367,442</u>
Net income (loss) before other revenues, expenses, gains, losses, and transfers	<u>(2,145,576)</u>	<u>2,773,233</u>	<u>627,657</u>
HUD capital grants	27,818	-	27,818
Equity transfer to affiliated entity	(6,048)	6,048	-
Change in net position	(2,123,806)	2,779,281	655,475
Net position, beginning of year	<u>47,197,440</u>	<u>(2,779,281)</u>	<u>44,418,159</u>
Net position, end of year	<u>\$ 45,073,634</u>	<u>\$ -</u>	<u>\$ 45,073,634</u>

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENTS OF CASH FLOWS
Year ended September 30, 2017

	Primary Government	Discretely Presented Component Units	TOTAL (Memorandum Only)
Cash flows from operating activities			
Receipts from customers & users	\$ 1,587,742	\$ -	\$ 1,587,742
Governmental grants & subsidy - operations	18,115,785	-	18,115,785
Payments to suppliers	(4,127,053)	(2,011,413)	(6,138,466)
Payments to employees	(4,305,881)	-	(4,305,881)
Payments for housing assistance	(12,429,735)	-	(12,429,735)
Net cash flows used by operating activities	<u>(1,159,142)</u>	<u>(2,011,413)</u>	<u>(3,170,555)</u>
Cash flows from capital and related financing activities			
Grant revenue - Capital Fund grants	27,818	-	27,818
Acquisition of capital assets - Capital Fund grants	(140,896)	-	(140,896)
Gain from disposition of capital assets	696,553	4,677,291	5,373,844
Extraordinary maintenance	(25,822)	-	(25,822)
Payment on notes receivable	118,925	-	118,925
Payment of debt obligations	(25,384)	(2,678,376)	(2,703,760)
Net cash flows provided by capital and related financing activities	<u>651,194</u>	<u>1,998,915</u>	<u>2,650,109</u>
Cash flows from noncapital financing activities			
Transfer to affiliated entities	<u>(6,048)</u>	<u>6,048</u>	<u>-</u>
Cash flows from investing activities			
Change in investment in joint ventures	140,271	-	140,271
Interest received, net	12,484	-	12,484
Net cash flows provided by investing activities	<u>152,755</u>	<u>-</u>	<u>152,755</u>
NET DECREASE IN CASH	(361,241)	(6,450)	(367,691)
CASH AND CASH EQUIVALENTS, beginning of year	<u>7,602,607</u>	<u>6,450</u>	<u>7,609,057</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 7,241,366</u>	<u>\$ -</u>	<u>\$ 7,241,366</u>

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENTS OF CASH FLOWS
Year ended September 30, 2017

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>TOTAL (Memorandum Only)</u>
Cash flows from operating activities			
Operating loss	\$ (2,733,737)	\$ (6,048)	\$ (2,739,785)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	1,216,689	-	1,216,689
Bad debt	185,151	-	185,151
Changes in operating assets and liabilities			
Decrease (increase) in accounts receivable	(208,293)	-	(208,293)
Decrease (increase) in prepaid expenses	19,538	-	19,538
Decrease (increase) in other assets	(957,092)	-	(957,092)
Increase (decrease) in accounts payable	(470,732)	(17,333)	(488,065)
Increase (decrease) in accrued liabilities	2,232	(630,934)	(628,702)
Increase (decrease) in unearned revenue	(1,340)	-	(1,340)
Increase (decrease) in other liabilities	<u>1,788,442</u>	<u>(1,357,098)</u>	<u>431,344</u>
Net cash used by operating activities	<u>\$ (1,159,142)</u>	<u>\$ (2,011,413)</u>	<u>\$ (3,170,555)</u>

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The financial statements of the Housing Authority of the City of Spartanburg (the "Authority") have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to local governmental units. The more significant accounting policies of the Authority are described below.

Organization

The Authority is a public body and a body corporate and politic organized under the laws of the State of South Carolina for the purpose of providing adequate housing for qualified low-income individuals. The Authority is a separate non-profit corporation with a Board of Commissioners. The applicable jurisdictions appoint the Board of Commissioners. However, the Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Additionally, the Authority has entered into annual contribution contracts with the U. S. Department of Housing and Urban Development ("HUD") to be the administrator of the housing and housing related programs described herein. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The authority is responsible for its debts and is entitled to surpluses.

Reporting Entity

The accompanying basic financial statements include all accounts of all Authority operations and its blended component units. These statements do not include any City agencies, and the Authority is not a component unit of the City under the definitions of Government Accounting Standards Board (GASB) Statement Number 62.

Financial Accountability - The Authority is responsible for its debts, does not impose a financial burden on Spartanburg and is entitled to all surpluses. No separate agency receives a financial benefit nor imposes a financial burden on the Authority.

Appointment of a Voting Majority - The Authority is governed by a Board of Commissioners and has governance responsibilities over all activities related to all housing activities within Spartanburg. The Board of Commissioners has decision making authority and the power to designate management. The members do not serve at the discretion of the City; i.e., they can be removed only for cause. The Authority's Board elects its own chairperson.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Imposition of Will -The City has no influence over the management, budget, or policies of the Authority. The Authority's Board of Commissioners has the responsibility to significantly influence the Authority's operations. This includes, but is not limited to, adoption of the budget, personnel management, sole title to, and residual interest in all assets (including facilities and properties), signing contracts, issuing bonds, and deciding which programs are to be provided.

The Authority operated the following programs under its Annual Contributions Contracts with HUD:

Low Rent Public Housing Program- The objective of this program is to provide decent safe and sanitary housing and related facilities for eligible low-income families and the elderly. The Authority currently serves approximately 728 Public Housing units located in thirteen (13) communities throughout the City of Spartanburg.

Capital Fund Program - The objective of this program is to improve the physical condition of the Low-Income Public Housing units and upgrade the management of the program.

Housing Choice Voucher Program - This program provides rental assistance to help low-income families afford decent, safe and sanitary rental housing. The Authority provides rental assistance in the form of a Housing Assistance Payment to a landlord on behalf of the tenant. SHA currently has an allocation of 1,827 vouchers.

Multifamily Housing Service Coordinators - This program provides funding for the employment of Service Coordinators in insured and assisted apartment housing that is designed for the elderly and persons with disabilities.

Youth Build Program - This program assists low-income young people ages 16-24 work toward their GEDs or high school diplomas while learning job skills by building affordable housing for homeless and low-income people and participating in leadership development activities in their communities.

Resident Opportunities and Supportive Services (ROSS) - This program provides public housing residents with supportive services, resident empowerment activities, and assistance in becoming economically self-sufficient.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Section 8 Moderate Rehabilitation Programs - The Section 8 Moderate Rehabilitation programs are funded by the U.S. Department of Housing and Urban Development. These programs aid very low income families in obtaining decent safe and sanitary housing by providing housing assistance payments to landlords on behalf of the tenant. SHA currently has an allocation of 285 vouchers.

Section 8 New Construction and Substantial Rehabilitation Programs - This program provide rental assistance in connection with the development of newly constructed or substantially rehabilitated privately owned rental housing financed with any type of construction or permanent financing, including the applicable FHA Multifamily Mortgage Insurance Programs.

Blended Component Units - The Authority administers two blended component units as detailed below. Both blended component units' current year activity are consolidated and reported in the accompanying Financial Data Schedules in the 'Blended Component Unit' column and are part of the Primary Government in the basic financial statements. A copy of the financial statements of SHA Property Company for the year ended September 30, 2017, may be obtained by contacting the Housing Authority of the City of Spartanburg, 2271 S. Pine Street, Spartanburg, SC 29302.

SHA Property Company, Inc. (ShapCo) - This is a related not-for-profit South Carolina Corporation, which was created as an instrumentality of the Authority for the primary purpose of owning and managing non-dwelling rental property. During September 2015, the primary assets of ShapCo were seized by Wells Fargo and liquidated as part of the default on the Mary Wright Center Loan as discussed in Notes 10 and Note 16 and as a result, the entity had no material assets as of September 30, 2017.

Spartanburg Leased Housing Corporation (SLHC) - This entity is a member in Cedar Springs Place, LLC, and its primary purpose is to acquire, construct, own, finance, lease and operate 48 elderly low income housing tax credit units located in a building at 324 Cedar Springs Road, Spartanburg, SC. SLHC was created solely for the financial benefit and convenience of the Housing Authority.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Discretely Presented Component Units - Two discrete component units, known as Mary Wright, LLC (MW, LLC) and Wright Center, LLC (WC, LLC) are presented in this report. MW, LLC was a South Carolina Limited Liability Company formed to acquire, finance, rehabilitate, own, and sell or otherwise dispose of a historic property located in Spartanburg known as the Wright Center. The Wright Center property was leased to WC, LLC. WC, LLC is a South Carolina limited liability company formed to lease the Wright Center and to hold, maintain, operate, and sell or otherwise dispose of its leasehold interest in the property. ShapCo was WC, LLC's managing member. WC, LLC subleased the Wright Center to the Authority and other tenants who utilized the property as administrative offices. Although SHA is not financially accountable for these entities, as of September 30, 2015 it was the primary tenant in that facility and this relationship was sufficient to require that these units be discretely presented in the Authority report. During January 2017, the Authority vacated the facility and the facility was foreclosed upon and the property sold, eliminating the Authority's leasehold interest and obligation.

Board Information

The Board is made up of seven members with the following terms:

John Fairey	September 30, 2022
Matthew Myers	September 30, 2018
Andrew Poliakoff	September 30, 2020
Molly Talbot-Metz	September 30, 2019
Brenda Thomas	September 30, 2019
Charles White	September 30, 2020
Charmayne Brown	September 30, 2023

Basis of Presentation, Basis of Accounting, and Measurement Focus

The basic financial statements (i.e. the statements of net position, the statements of revenues, expenses, and changes in net position, and the statements of cash flows for the proprietary fund) report information on all of the activities of the Authority except for its discretely presented component units. Separate fund financial statements are provided for the component units.

Description of Funds

A Fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of its assets, deferred outflow of resources, liabilities, deferred inflow of resources, net position, revenues, and expenses. The funds maintained by the Authority allow compliance and financial accountability by separate functions and activities.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Authority's operating activities are maintained in accordance with the principles of enterprise fund accounting to ensure the observance of limitations and restrictions on the resources available. GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, was issued to incorporate GASB and AICPA guidance into GASB authoritative literature. HABC has elected not to follow any FASB guidance not included in GASB 62.

HUD requires all Public Housing Agencies meeting certain criteria to account for financial activity by projects referred to as the asset management projects (AMPs) since fiscal year 2008. The Authority is required to report financial activity by AMPs as well as by fund through HUD's on-line reporting system.

Basis of Accounting and Measurement Focus

The basis of accounting for the funds used by the Authority is determined by measurement focus. The flow of economic resources measurement focus and the accrual basis of accounting are used to account for the Authority's funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. All assets and liabilities associated with the operation of these funds are included on the Statements of Net Position.

Net position in enterprise fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, granters, or laws and regulations of other governments. The Authority's restricted net position consists of escrows held for debt service, investment in joint ventures, program income, reserve accounts, and excess housing assistance payments.

Separate statements are also included for the discretely presented component units as shown in the table of contents. The discretely presented component units are separate legal entities from the Authority.

Use of Estimates in Preparing Financial Statements

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

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets

The Authority adopts budgets on the basis of accounting consistent with the basis of accounting for the fund to which the budget applies. The Authority prepares annual operating budgets that are formally adopted by its Governing Board of Commissioners. The budgets for programs funded by HUD form the basis of the Federal Financial Assistance received through HUD.

Cash, Cash Equivalents, and Investments

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments are stated at fair market value, except for U.S. Treasury Bills, which are reported at amortized cost. The Authority reports all money market investments having a remaining maturity at time of purchase of one year or less at amortized cost. Investment securities are normally held to mature at par value and adjustments are made to the investment portfolio to reflect increases/ (decreases) in gains made.

Accounts Receivable

Accounts receivable consists of payments due from HUD and related affiliates, rent payments from tenants and other miscellaneous receivables arising from the normal course of operations. A reserve for uncollectible accounts is established based on management's estimates. Collection losses on accounts receivable are expended, in the appropriate Fund, on the specific write-off method.

Inventories

Inventories are recorded at the lower of cost or market. The consumption method is used to account for inventories. Under the consumption method, inventories are charged to expense when consumed.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets and Depreciation

Capital assets are stated at historical cost, less accumulated depreciation. Donated capital assets are stated at their fair value on the date donated. This includes site acquisition and improvement, structures and equipment. All infrastructure assets were capitalized at the conclusion of development then dedicated to the County for maintenance and repairs. Depreciation of exhaustible capital assets used by proprietary funds is computed on the straight-line method and charged as an expense against operations, and accumulated depreciation is reported on the Statement of Net Position. Assets are capitalized if they have a useful life beyond one year and an original cost greater than \$5,000.

The estimated useful lives for each major class of depreciable capital assets are as follows:

Buildings & Improvements	20 years
Furniture, fixtures, & equipment	5 years

Proceeds from the disposal of capital assets are recognized in the period received. Proceeds from the sale of property acquired or significantly improved with HUD or other grant funds are refunded to HUD or the applicable grantor as required by contract, or retained and used for special purposes as approved by HUD or the grantor.

Notes Receivable

A significant portion of notes receivables represent loans to related party Owner-Entities and developers for Development Projects. The Authority subordinated these loans in conjunction with financing arrangements related to the development of mixed-income, multi-family rental communities. Such loans are interest-bearing and are payable from cash flow from the property owned by each respective Project. Such loans are typically funded from various programs and Capital Fund grants, representing a significant portion of the construction costs associated with the Authority assisted component of the mixed-income rental property. Interest and principal on these loans are subordinated and are contingent on cash flow from the property; however, interest income is accrued as it occurs. Based on the status of the previous mixed-financing projects and the contingent nature of the payments, management elected to establish an allowance based on the expected amount the Authority intends to collect.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Compensated absences are absences for which employees will be paid, i.e., sick leave, vacation, and other approved leaves. In accordance with GASB Statement No.16, *Accounting for Compensated Absences*, the Authority accrues the liability for those absences that the employee has earned the rights to the benefits. Accrued amounts are based on the current salary rates. Full-time, permanent employees are granted vacation and sick leave benefits in varying amounts to specified maximums depending on tenure with the Authority. Vacation and sick pay is recorded as an expense and related liability in the year earned by employees.

Net Position

Net position is displayed in three components:

Net Investment in Capital Assets: This component of net position consists of all capital assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of net position consists of restricted resources when constraints are placed on the resource by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc. This also includes investments in joint ventures.

Unrestricted Net Position: This component of net position consists of resources that do not meet the definition of "Net Investment in Capital Assets" or "Restricted Net Position."

Certain assets including cash and investments may be classified in restricted net position on the Statements of Net Position because their use is restricted for specific purposes. It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Revenues and Expenses

Revenues and expenses are recognized on the accrual basis of accounting. Revenues relating to the Authority's operating activities include rental related income, interest income and other sources of revenues that are recognized in the accounting period in which they are earned. Other major sources of revenues include the operating subsidy from HUD and other HUD funding for capital and operating expenses.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating Revenue

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for rents. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Subsidies received from HUD or other grantor agencies, for operating purposes, are recorded as operating revenue in the operating statement while capital grant funds are added to the net position in the no operating revenue and expense. Pursuant to the Annual Contributions Contract HUD contributes an operating subsidy approved in the operating budget. For the year ended September 30, 2017, the subsidy paid was \$2,845,427.

Taxes

Under Federal, State and City laws, the Authority is exempt from income, property and excise taxes. Housing authorities are, however, required to make payments in lieu of taxes (PILOT) in accordance with the provisions of agreements with local taxing authorities.

Insurance

The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance, but, should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of the Authority. The Authority secures required insurance coverage through the competitive bid process. As of the date of the fieldwork, the Authority had the required coverage in force.

New Accounting Pronouncements

The Authority did not implement any new pronouncements during fiscal year 2017.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

2. CASH AND CASH EQUIVALENTS

All the deposits of the Authority are either insured or collateralized by using the Dedicated Method whereby all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Authority's agents in these units' names. The Authority has no policy regarding custodial credit risk for deposits.

At September 30, 2017, the Authority's Primary Government cash and cash equivalents had a carrying amount of \$7,241,366 and bank balances of \$7,391,563. Of the bank balances held in various financial institutions, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the dedicated method. Additionally, as of September 30, 2017, due to the sale of the property, there was no cash and cash equivalents in the Discretely Presented Component Units that are included in the agency-wide financial statements.

Inherent rate risk – The Authority's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from interest rate volatility.

Credit Risk – The Authority has no policy regarding credit risk.

Custodial credit risk – For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that in the possession of an outside party. The Authority's policy is to limit credit risk by adherence to the list of HUD permitted investments, which are backed by the full faith and credit of or a guarantee of principal and interest by the U.S. Government.

Concentration of credit risk – The Authority placed no limit on the amount that it may invest in certificates of deposits. The Authority has no policy regarding credit risk.

Collateralization – In addition to the above mentioned FDIC insurance, BB&T Bank participates in public funds of pooled securities for the Authority. As of September 30, 2017, there was \$9,664,634 of specified pledged security for the Authority.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

2. CASH AND CASH EQUIVALENTS (continued)

Restricted Cash and Cash Equivalents:

Primary Government

Restricted cash and cash equivalents were comprised of the following as of September 30, 2017:

Description	Amount
Tenant security deposits	\$ 129,752
Restricted deposits - Moderate Rehabilitation Program	133,209
Restricted deposits and funded reserves - JC Bull (new construction)	2,096,985
Housing Choice Voucher Program - Unexpended HAP equity	76,281
FSS participants' escrow accounts	101,501
	<u>\$ 2,537,728</u>

3. ACCOUNTS RECEIVABLE

Primary Government

Accounts receivable at September 30, 2017 consisted of the following:

Description	Amount
Accounts receivable - tenants - dwelling rents (net of allowance of \$8,332)	\$ 3,273
Accounts receivable - HUD	215,420
Accounts receivable - other government	207,318
Accounts receivable - miscellaneous (net of allowance of \$126,220)	11,831
	<u>\$ 437,842</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

4. PREPAID EXPENSES & OTHER CURRENT ASSETS

Primary Government

Prepaid charges and other assets at September 30, 2017 consisted of the following:

<u>Description</u>	<u>Amount</u>
Prepaid insurance expense	\$ 114,204
Assets held for sale	59,800
Total	<u>\$ 174,004</u>

5. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Primary Government

	Balance October 1, 2016	Additions	Transfers/ Disposals	Balance September 30, 2017
Land	\$ 5,424,146	\$ -	\$ (265,303)	\$ 5,158,843
Buildings	36,411,305	74,453	(2,004,440)	34,481,318
Furniture & Equipment	1,302,127	36,069	-	1,338,196
Construction-in-progress	<u>60,006</u>	<u>30,374</u>	<u>-</u>	<u>90,380</u>
	43,197,584	140,896	(2,269,743)	41,068,737
Less Accumulated Depreciation:	<u>(26,196,909)</u>	<u>(1,216,689)</u>	<u>1,989,538</u>	<u>(25,424,060)</u>
Total	<u>\$ 17,000,675</u>	<u>\$ (1,075,793)</u>	<u>\$ (280,205)</u>	<u>\$ 15,644,677</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

5. CAPITAL ASSETS (continued)

Discretely Presented Component Units

	Balance October 1, 2016	Additions	Transfers/ Writedowns	Balance September 30, 2017
Land	\$ 62,064	\$ -	\$ (62,064)	\$ -
Buildings	2,087,936	-	(2,087,936)	-
	2,150,000	-	(2,150,000)	-
Less Accumulated Depreciation:	251,990	-	(251,990)	-
Total	<u>\$ 2,401,990</u>	<u>\$ -</u>	<u>\$ (2,401,990)</u>	<u>\$ -</u>

6. NOTES RECEIVABLE

Primary Government

The Notes Receivable for the primary government at September 30, 2017 consisted of the following:

Entity/Partnership	Notes Receivable	Accrued Interest	Total Receivable	Allowance for Doubtful Accts	Net Receivable
Spartanburg Housing, LP	\$ 1,000,000	\$ 946,541	\$ 1,946,541	\$ (946,541)	\$ 1,000,000
Spartanburg Housing 2, LP	335,000	-	335,000	-	335,000
CS1, LLC	10,697,421	61,950	10,759,371	(61,950)	10,697,421
HC1, LLC	780,000	736,146	1,516,146	(736,146)	780,000
SHA 7	8,244,574	252,702	8,497,276	(252,702)	8,244,574
Highland Avenue LLC	350,000	11,314	361,314	(11,314)	350,000
Cedar Springs Place, LLC	914,375	286,647	1,201,022	(286,647)	914,375
Homeowners Notes Receivable	728,264	-	728,264	(607,926)	120,338
Total	<u>\$ 23,049,634</u>	<u>\$ 2,295,300</u>	<u>\$ 25,344,934</u>	<u>\$ (2,903,226)</u>	<u>\$ 22,441,708</u>
Less current portion					65,527
Non-current notes receivable					<u>\$ 22,376,181</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

6. NOTES RECEIVABLE (continued)

Notes Receivable - Spartanburg Housing Limited Partnership, (affiliate) consists of the following loans made to the Partnership, a related party, by the Authority for the development of the project:

Second mortgage note ("Hope VI Loan") in the amount of \$800,000. The note bears interest at the Applicable Federal Rate (AFR) applicable to long-term loans with annual compounding for December 2001, which equals 5.05 percent. The interest rate will remain stable throughout the life of the note. The loan is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable only from net available cash flow, net proceeds, or condemnation proceeds, as defined. The note matures on November 30, 2031. The balance of the note as of September 30, 2017, was \$800,000 and accrued interest receivable as of September 30, 2017 was \$761,444. An allowance for doubtful accounts of \$761,444 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Third mortgage note ("CFP Loan") in the amount of \$200,000. The note bears interest at the Applicable Federal Rate (AFR) applicable to long-term loans with annual compounding for December 2001, which equals 5.05 percent. The interest rate will remain stable throughout the life of the loan. The note is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable only from net available cash flow, net proceeds or condemnation proceeds, as defined. The note matures on November 30, 2031. The balance of the note as of September 30, 2017, was \$200,000. Accrued interest receivable as of September 30, 2017 was \$185,097. An allowance for doubtful accounts of \$185,097 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Notes Receivable - SHA 2 ('Stabilization Reserve') - the Authority has a note receivable from SHA2, LP for the stabilization reserve in the amount of \$335,000. The loan is non-interest bearing and payable from available cash flow beginning in 2021. The note has a final maturity of September 30, 2053 at which time all principal and other outstanding sums shall be due and payable in full. As of September 30, 2017, the balance is \$335,000.

Notes Receivable- CS1, LLC, affiliate consists of the following loans made to the Partnership, a related party, by the Authority for the development of the project:

CS1, LLC, has a permanent loan from the Housing Authority. The loan bears interest at a rate equal to the Bond Market Association Index (BMA) plus 198 basis points and is guaranteed by the Managing Member and its affiliate. This loan was used to fund construction of the Project. On March 9, 2011, this loan converted to a permanent loan under the same terms, after a principal pay down of \$635,021. Principal and interest payments are due monthly. This loan is secured by all property, security agreements and assignments of rents and matures in 2040.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

6. NOTES RECEIVABLE (continued)

The balance of the loan as of September 30, 2017, was \$3,445,000. This loan is a conduit obligation in which proceeds will be used to repay the Spartanburg Multifamily Housing Revenue Bonds, Series 2007 and therefore it is not included in the financial statements of the Authority.

Cedar Springs 1, LLC, has 42-year non-recourse Hope VI loan from the Housing Authority. The loan does not bear interest and is subordinate to the bond loan. This loan was used to fund the construction of the Project. No payments are due until maturity. All principal is due on March 14, 2049. The loan is secured by the property. The balance of the loan as of September 30, 2017 was \$7,768,309.

Cedar Springs 1, LLC, has a 42-year non-recourse program income fund loan from the Housing Authority. The loan does not bear interest and is subordinate to the bond loan. This loan was used to fund the construction of the Project. No payments are due until maturity. All principal is due on February 28, 2049. The loan is secured by the property. The balance of the loan as of September 30, 2017 was \$2,308,443.

Cedar Springs 1, LLC, has a 42-year non-recourse state loan from the Housing Authority. The loan bears interest at 5.23% and is subordinate to the bond loan. This loan was used to fund construction costs. No payments are due until maturity. All principal is due on March 13, 2049. The loan is secured by the property. The balance of the loan as of September 30, 2017 was \$620,669. Accrued interest receivable as of September 30, 2017 was \$61,950. An allowance for doubtful accounts of \$65,808 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Notes Receivable- HC 1, LLC, affiliate consists of the following loans made to the Partnership, a related party, by the Authority for the development of the project:

HC1, LLC ("SHA Loan") - The Partnership and the Authority entered into a non-recourse construction and permanent loan in the amount of \$300,000. The note bears interest at 8.0% and is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable from available cash flows after the repayment of the senior mortgage loans, junior mortgage loans, and all reserves required by the partnership agreement have been fully funded. The note matures in July 2037. The balance of the note as of September 30, 2017 was \$300,000. Noncurrent interest receivable as of September 30, 2017 was \$272,215. An allowance for doubtful accounts of \$272,215 has been recognized to fully reserve all accrued interest as of September 30, 2017.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

6. NOTES RECEIVABLE (continued)

HC1, LLC ("SHA Acquisition Loan") - The Partnership has a non-recourse construction and permanent loan entered into by the Partnership and the Authority in the amount of \$480,000. The note bears interest at 8.0% and is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable from available cash flows after the repayment of the senior mortgage loans, junior mortgage loans, and all reserves required by the partnership agreement have been fully funded. The note matures in July 2037. The balance of the note as of September 30, 2017 was \$480,000. Noncurrent interest receivable as of September 30, 2017 was \$463,931. An allowance for doubtful accounts of \$463,931 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Notes Receivable – SHA 7, LLC, affiliate consists of the following loans made to the properties that transitioned to stand alone entities under the Rental Assistance Demonstration, a related party, by the Authority for the redevelopment of seven properties that were formerly ACC units under the Low Income Public Housing Program:

SHA 7, LLC ("Carryback Loan") - The Authority issued a \$7,244,574 note to assist in the acquisition funding of the RAD properties during January 2016. The note accrues interest at 2.65% and matures in January 2059 and interest payment are repayable from cash flow only. As of September 30, 2017, the outstanding balance was \$7,244,578. An allowance for doubtful accounts of \$184,618 representing accrued interest on the loan has been recorded as of September 30, 2017 and all amounts are considered non-current.

SHA 7, LLC ("Reserve Loan") - The Authority issued a \$1,000,000 note which represented cash loans to SHA7 to provide replacement reserves for these developments. The note accrues interest at 7.8% and matures in January 2059 and interest payment are repayable from cash flow only. As of September 30, 2017, the outstanding balance was \$1,000,000. An allowance for doubtful accounts of \$68,084 representing accrued interest on the loan has been recorded as of September 30, 2017 and all amounts are considered non-current.

Highland Avenue, LLC - The Partnership and the Authority entered into a non-recourse construction and permanent loan in the amount of \$350,000. The note bears interest at the applicable federal rate (AFR) (1.9% at September 30, 2017) and is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable from available cash flows after the repayment of the senior mortgage loans, junior mortgage loans, and all reserves required by the partnership agreement have been fully funded. The note matures in April, 2050. The balance of the note as of September 30, 2017 was \$350,000. Noncurrent interest receivable as of September 30, 2017 was \$11,314. An allowance for doubtful accounts of \$11,314 has been recognized to fully reserve all accrued interest as of September 30, 2017.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

6. NOTES RECEIVABLE (continued)

Notes Receivable - Cedar Springs Place, LLC, affiliate consists of the following loans made to the Partnership, a related party, by the Authority for the development of the project:

Cedar Springs Place, LLC entered into a fourth mortgage loan payable with the Authority on October 12, 2007 in the original amount of \$414,375. The note bears interest at the greatest of (a) 4.77% per annum or (b) an annual interest rate equal to the applicable Federal long-term rate (AFR) as defined in Section 1274(d) of the Internal Revenue Code of 1986. The note shall be repaid in a single payment including all unpaid principal and accrued interest with net available cash flow and at the end of the first mortgage on the property. The mortgage is collateralized by a fourth mortgage on the property. As of September 30, 2017, the loan balance was \$414,375 and accrued interest totaled \$164,383. An allowance for doubtful accounts of \$164,383 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Cedar Springs Place, LLC entered into a fifth mortgage loan payable with Spartanburg Leased Housing Corporation (a blended component unit of the Authority) on March 28, 2007 in the original amount of \$300,000. The note bears interest at the greater of (a) 4.7% per annum or (b) an annual interest rate equal to the applicable Federal long-term rate (AFR) as defined in Section 1274(d) of the Internal Revenue Code of 1986. The note shall be repaid in a single payment including all unpaid principal and accrued interest on the 30th anniversary of disbursement of the proceeds of the loan. The mortgage is collateralized by a fifth mortgage on the property. As of September 30, 2017, the loan balance was \$300,000 and accrued interest totaled \$122,264. An allowance for doubtful accounts of \$122,264 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Pursuant to the Operating Agreement, Cedar Springs Place, LLC was advanced \$200,000 for additional funds to be repaid from surplus cash. This amount has been treated as a notes receivable but is non-interest bearing.

Notes Receivable- Homebuyers- the Authority has issued primary loans to assist qualified residents in the purchase of homes. The Authority entered into a \$1,000,000 Loan Agreement with BB&T Bank to finance these primary loans. Mortgage loans held by the Authority are collateralized by single-family residences. As of September 30, 2017, the outstanding mortgage balances was \$728,264. An allowance for doubtful accounts of \$607,926 has been recorded as of September 30, 2017. Of the total outstanding amount, \$65,527 is considered current.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

7. OTHER NONCURRENT ASSETS

Primary Government

Other noncurrent assets consisted of the following as of September 30, 2017:

Description	Amount
Developer fees receivable - tax credit properties	93,125
Other assets	47,146
	<u>\$ 140,271</u>

The Tax Credit Properties included in the above are the CS1, LLC, HS1, LLC, SHA 7, LLC, Spartanburg Housing, LP and the Spartanburg Housing 2, LP.

8. ACCOUNTS PAYABLE AND CURRENT LIABILITIES

Accounts payable and current liabilities as September 30, 2017 consisted of the following:

Primary Government

Description	Amount
Vendors and contractors payable	\$ 610,751
Accrued wages/payroll taxes payable	58,808
Accrued compensated absences, current portion	20,224
Accounts payable - HUD	133,209
Unearned revenue	9,197
Notes payable, current portion	6,462
Security deposits	129,752
Accrued liabilities/utilities payable	<u>120,782</u>
	<u>\$ 1,089,185</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

9. NON-CURRENT LIABILITIES

Primary Government

Non-current liabilities at September 30, 2017 consisted of the following:

	Balance			Balance	
	October 1,			September 30,	Due Within
	2016	Additions	Reductions	2017	One Year
Long-term debt	\$ 411,155	\$ -	\$ (25,384)	\$ 385,771	\$ 6,462
Unfunded pension liability	2,468,536	1,594,779	-	4,063,315	-
Compensated absences	113,137	8,089	(1,458)	119,768	20,224
FSS escrow accounts	56,101	45,400	-	101,501	-
Total long-term debt	\$ 3,048,929	\$ 1,648,268	\$ (26,842)	\$ 4,670,355	\$ 26,686

Discretely Presented Component Units

Non-current liabilities at September 30, 2017 consisted of the following:

	Balance			Balance	
	October 1,			September 30,	Due Within
	2016	Additions	Reductions	2017	One Year
Long-term debt	\$ 2,678,376	\$ -	\$ (2,678,376)	\$ -	\$ -
Developer fee payable	1,222,505	-	(1,222,505)	-	-
Total long-term debt	\$ 3,900,881	\$ -	\$ (3,900,881)	\$ -	\$ -

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

10. LONG TERM DEBT OBLIGATIONS

Primary Government

Long term debt obligations as of September 30, 2017 consisted of the following:

In October of 2006, the Authority obtained a \$1,000,000 line of credit from Branch Banking and Trust Company to finance residential mortgage loans offered to qualified home buyers, from the Authority. The loan is collateralized by single-family residences. Interest is charged at the One Month LIBOR Rate plus 2.25%, and is payable monthly. The loan was fully paid off during fiscal year 2017.

In May of 2014, the Authority obtained a \$110,154 loan from Branch Banking and Trust Company to fund the development of three duplexes (six low income rental units). The loan is secured by the land and buildings. Interest is charged at the One Month LIBOR Rate, and is payable monthly. The outstanding balance as of September 30, 2017 was \$90,229.

	Principal	Interest	Total
2018	\$ 6,462	\$ 4,248	\$ 10,710
2019	<u>83,767</u>	<u>2,717</u>	<u>86,484</u>
Total	<u>\$ 90,229</u>	<u>\$ 6,965</u>	<u>\$ 97,194</u>

During fiscal year 2009, the Authority obtained a \$295,542 loan from the South Carolina State Housing Finance and Development Authority to fund the development of three duplexes (six low income rental units). The loan is secured by the land and buildings. The loan bears no interest, and is forgivable. The outstanding balance as of September 30, 2017 was \$295,542, with all amounts considered non-current.

Interest charges expensed on all debts during the year totaled (\$12,484) as the result of the Authority netting interest income and interest expense.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

10. LONG TERM DEBT OBLIGATIONS (continued)

Discretely Presented Component Units

Long-term debt obligations as of September 30, 2017 consisted of the following:

Senior Note Payable

On February 8, 2008, MW, LLC entered into a loan agreement with Wachovia Community Development Enterprises V, LLC for a loan in the amount of \$3,000,000. The Senior Loan was secured by a Mortgage, Assignment of Leases, and Security Agreement on the Wright Center property. The loan required monthly payments of interest only. The loan matured on February 9, 2015 but payment was not made at that time.

During fiscal year 2015, Wells Fargo attached the building at 325 South Church Street owned by Shapco and held a bank sale that netted sales proceeds of \$696,049 and applied \$375,944 of sinking fund and investments held by Mary Wright, LLC to reduce the outstanding loan balance at September 30, 2015 to \$1,928,376 and a balance of \$61,620 in accrued interest payable was also outstanding. During fiscal year 2017, the loan was reduced to zero as part of the upcoming dissolution of the entity.

Supplemental Note Payable

On February 8, 2008, MW, LLC entered into a loan agreement with Wachovia Community Development Enterprises V, LLC for a loan in the amount of \$750,000. The Supplemental Loan was secured by a Mortgage, Assignment of Leases, and Security Agreement on the Property. The loan is not eligible for prepayment at any time before the seventh anniversary of the loan. MW, LLC was not required to make any payments prior to the maturity date, February 8, 2048, when all unpaid principal and any accrued but interest were due. Interest accrued on the outstanding principal at 0.50% per annum. During fiscal year 2017, the loan was reduced to zero as part of the upcoming dissolution of the entity.

Furthermore, all development and servicing fees associated with the loans were similarly reduced to zero.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN

Plan Description

The Authority is a participant in the South Carolina Retirement System (SCRS), a cost-sharing multiple employer defined benefit pension plan, joining the plan effective October 1, 2015. The plan was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions. Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a class two member. An employee member of the system with an effective date of membership after July 1, 2012, is a class three member. SCRS is administered by the South Carolina Public Benefit Authority (PEBA).

Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the SCRS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and the employer contribution rate that exceeds 2.9 percent of earnable compensation for the SCRS. An increase in the contribution rates adopted by the board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plan, the board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year. For the year ended June 30, 2017, the employer contribution rates were 10.75% of member's compensation and .15% of member's compensation for incidental death benefits. Total contributions during the year ending June 30, 2017 were \$211,829.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the System's Pension Trust Funds. The CAFR is publically available through the Retirement Benefits link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC, 29211-1960. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial statement information is also included in the comprehensive annual financial report of the state.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions

Actuarial Assumptions involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The next experience study is scheduled to be conducted after the June 30, 2017 annual valuation is complete.

The total pension liability for the South Carolina Public Employee Benefit Authority was determined based on the most recent actuarial valuation, which was conducted using membership data as of July 1, 2016, projected forward to the end of the fiscal year, and financial information as of June 30, 2017, using generally accepted actuarial procedures.

The financial reporting actuarial valuation as of July 1, 2016, used the following actuarial methods and assumptions, applied to all periods included in this measurement:

Valuation Date	July 1, 2016
Experience Study	July 1, 2010
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Amortization Period	30 years, open
Asset Valuation Method	20% Difference Recognition
Inflation	2.75%
Salary Increase	3.50% plus step-rate increases for members with less than 25 years of service
Investment Rate of Return	7.25%

The rates of mortality for the period after service retirement are according to RP-2000 Mortality Table projected by the Society of Actuaries. The multipliers used in the table are adjusted according to plan experience.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

The long-term expected rate on return of pension plan investments is based upon the thirty year capital market outlook at the end of the fourth quarter of 2013. The long-term expected rate of return represents assumptions developed using an arithmetic building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economics forecasts. The most recent experience study is outlined in the report and dated July 1, 2010. The expected returns, along with expected inflation rate, form the basis for the target asset allocation adopted for fiscal year 2015. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.50% real rate of return and a 2.75% inflation component.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the Systems fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term, expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The Schedule of Deferred Inflows and Outflows, and Pension Expense include only certain categories of deferred outflows of resources and deferred inflows of resources. These include differences between expected and actual experience, changes of assumptions and differences between projected and actual earnings on plan investments. The Schedule does not include deferred outflows/inflows of resources for changes in the employer's proportionate share of contribution or employer contributions made subsequent to the measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments and projected and actual experience are netted and amortized over a closed five year period.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

Sensitivity Analysis

In accordance with GASB 68 regarding the disclosure of the sensitivity of the Net Pension Liability to changes in the discount rate, the below table presents the Net Pension Liability calculated using the discount rate of 7.25%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1.00% lower (6.25%) or 1.00% higher (8.25%) than the current rate.

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
SHA's Net Pension Liability	\$5,241,444	\$4,063,315	\$3,343,935

Summary of Significant Accounting Policies

Employee, employer, and state-appropriated contributions are recognized in the period in which they are due, pursuant to formal commitments as well as statutory requirements. Substantially all contributions receivable are collected within thirty days of year end.

Basis of Accounting

All funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan.

Use of Estimates

The preparation of the Schedules in conformity with GAAP requires management to make estimates and assumptions that affect certain amounts and disclosures. PEBA accrues employer contributions using estimates based on historical data. Actual results could differ from those estimates.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the South Carolina Retirement System (SCRS). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions.

	Net Pension Liability as of 6/30/16	Net Pension Liability as of 6/30/17	Percent of Collective NPL
Employer Proportionate Share	\$2,468,536	\$4,063,315	0.017732%

At June 30, 2017, the employer recorded a liability of \$4,063,315 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of July 1, 2016. The employer's proportion of the Net Pension Liability was based on the employer's contributions received by SCRS during the measurement period July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of SCRS' participating employers. At June 30, 2017, the employer's proportion was 0.017732%.

Changes in actuarial assumptions and methods: There were no changes in assumptions or other inputs that affected the measurement of the Total Pension Liability.

Changes in benefit terms: There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes between the measurement date of the collective Net Pension Liability and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

Pension Expense

The Authority recognized \$1,088,040 in pension expense for its proportionate share of the SCRS' Pension Expense for the year ended September 30, 2017.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

Deferred Inflows and Outflows

For fiscal year 2017, the employer reported its proportionate share of SCRS' deferred outflows of resources and deferred inflows of resources related to SCRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Experience	\$ 18,433	\$ 2,212
Assumption Changes	240,466	-
Investment Experience	329,529	215,548
Changes in proportion differences between employer contributions and proportionate share of contributions	2,049,719	-
Contributions made subsequent to the measurement date	119,368	-
Total	\$ 2,757,515	\$ 217,760

Amounts reported as deferred outflows of resources related to pensions resulting from employers' contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ended June 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

For the Year Ended June 30:	Recognition of Existing Deferred Outflow (Inflow) of Resources, Net
2018	\$ 819,220
2019	\$ 999,430
2020	\$ 488,973
2021	\$ (6,604)

Other than the above mentioned pension plan, the Authority does not participate in Other Post-Employment Benefits.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

In addition to the above plan, the Authority provides pension benefits for employees that did not elect to participate in the state plan through a defined contribution plan. The plan is administered by Mutual of America. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes 5% of the employees' covered salaries, while the employees are not required to contribute to the plan. During fiscal year 2017, the Authority made the required contributions in the amount of \$21,209 based upon total payroll wage coverage of \$416,965.

12. RELATED PARTY TRANSACTIONS

In March of 2007, the Authority issued \$13,900,000 of Multi-Family Tax Exempt Bonds to finance a portion of the construction and rehabilitation of the Spartanburg Southside Project, consisting of four low income housing rental unit projects located in the Spartanburg area, and owned by CS1, LLC, and an affiliated limited liability company. Other financing sources of the Southside Project mixed financing arrangement consisted primarily of CSI, LLC tax credit equity, state and local grants, and HOPE VI funds. Upon issuance, the \$13,900,000 bond funds were loaned to CS1, LLC, and secured by the Southside Project property.

According to the loan agreement, \$10,295,000 has been repaid from Investor Member contributions and a balance exists on the Bonds of \$3,445,000. Neither the notes receivable from CS1, LLC or the Bonds payable is recorded on the Housing Authority books. This is considered to be a conduit debt obligation. The mortgage note receivable is explained in Note 6 to the financial statements.

As stated in Note 6, Notes Receivable, and Note 7, Other Noncurrent Assets, there exist amounts invested in and loaned to affiliated tax credit properties. The transactions have been stated in these notes to the financial statements and are not restated in the note for related parties. Additionally, that has been surplus cash funds in the amount of \$138,369 received during the year from excess cash from certain tax credit properties. Each of the tax credit properties are managed by private management companies and not the Housing Authority.

13. ECONOMIC DEPENDENCY

The PHA Owned Housing Program is economically dependent on annual contributions and grants from HUD. The program operates at a loss prior to receiving the contributions and grants.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

14. COMMITMENTS & CONTINGENCIES

The Authority is exposed to various risks of losses related to torts; theft or, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Claims & liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. There were no claims in excess of commercial coverage during the fiscal year.

Legal

The Authority was named in a class action lawsuit related to the existence of bed bugs in one of the properties. The status of the claim is such that no outcome is determinable at this time. Management believes the potential adverse impact of this claim would not be material to the financial statements of the Authority.

Grants and Contracts

The Authority participates in various federally-assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional based upon compliance with terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. There were no such liabilities recorded as of September 30, 2017.

Capital fund

The Authority receives capital funding each year for ongoing capital improvements and repairs and maintenance.

Operating Leases

During November 2015, SHA entered into an operating lease agreement effective January 1, 2016. Future minimum lease payments under the operating lease are as follows:

2018	\$	139,875
2019		139,875
2020		139,875
2021		34,969
	\$	<u>454,594</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

14. COMMITMENTS & CONTINGENCIES (continued)

Property Taxes

In addition to the above, the Authority is responsible for property taxes to be reimbursed to the landlord in December each year.

15. RESTRICTED NET POSITION

Primary Government

Restricted Net Position (equity) as of September 30, 2017, consisted of the following:

<u>Description</u>	<u>Amount</u>
Restricted deposits and funded reserves - JC Bull (new construction)	\$ 2,096,985
Housing Choice Voucher Program - Unexpended HAP equity	76,281
Notes Receivable	<u>22,441,708</u>
	<u>\$ 24,614,974</u>

17. SUBSEQUENT EVENTS

Rental Assistance Demonstration (RAD)

The Authority is participating in HUD's Rental Assistance Demonstration Program (RAD) whereby the Authority is converting certain public housing sites to a form of project-based assistance under Section 8 of the Housing Act of 1937. This program is taking place in multiple phases based on property sites administered by the Authority and includes the transfer of ownership of these sites to private developers.

Proceeds of the settlements will be recognized by the Authority and the related capital assets removed from the financial statements. Transactions related to RAD are reflected in these financial statements for the fiscal year ending September 30, 2017.

Additional settlements on other sites are expected to take place in fiscal year 2018.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

18. FUTURE ACCOUNTING PRONOUNCEMENTS

GASB routinely issues standards that are effective for future years. Management is currently evaluating the potential impact of those standards issued by GASB on the Authority for future years.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY
September 30, 2017

	<u>South Carolina Retirement System</u>		<u>Police Officers Retirement System</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Authority's proportion of the net pension liability	0.017732%	0.011327%	0.00261%	0.00194%
Authority's proportionate share of the net pension liability	\$ 3,991,758	\$ 2,419,430	\$ 71,557	\$ 49,106
Authority's covered-employee payroll	\$ 1,824,268	\$ 1,133,744	\$ 35,179	\$ 25,424
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	218.8%	213.4%	203.4%	193.1%
Plan fiduciary net position as a percentage of the total pension liability	53.3%	52.9%	60.9%	60.4%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available as the Authority did not join the plans until October 1, 2015.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF CONTRIBUTIONS
SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY
September 30, 2017

	<u>South Carolina Retirement System</u>		<u>Police Officers Retirement System</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 206,819	\$ 121,311	\$ 5,010	\$ 3,392
Contributions in relation to the contractually required contribution	\$ 206,819	\$ 121,311	\$ 5,010	\$ 3,392
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Authority's covered-employee payroll	\$ 1,824,268	\$ 1,133,744	\$ 35,179	\$ 25,424
Contributions as a percentage of covered-employee payroll	11.3%	10.7%	14.2%	13.3%

Note: Schedule is intended to show information for the last 10 fiscal years.
Additional years will be displayed as they become available as the

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	Low-Rent Public Housing 14,850	Housing Choice Vouchers 14,871	Business Activities	Multifamily Housing Service Coordinators 14,191	Youth Build Program 17,274
ASSETS AND DEFERRED OUTFLOW OF RESOURCES					
CURRENT ASSETS:					
Cash:					
Cash - Unrestricted	3,724,649	317,857	-	-	-
Cash - Restricted- Modernization and Development	-	-	-	-	-
Cash - Other Restricted	16,100	161,682	-	-	-
Cash - Tenant Security Deposits	92,240	-	-	-	-
Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-
Total Cash	3,832,989	479,539	-	-	-
Accounts and notes receivables:					
Accounts Receivable - PHA Projects	-	-	-	-	-
Accounts Receivable - HUD Other Projects	83,128	-	-	60,538	-
Accounts Receivable- Other Government	2,050	-	-	-	28,861
Accounts Receivable - Miscellaneous	8,592	5,518	-	-	-
Accounts Receivable - Tenants	6,228	-	-	-	-
Allowance for Doubtful Accounts -Tenants	(3,935)	-	-	-	-
Allowance for Doubtful Accounts - Other	(2,279)	-	-	-	-
Notes, Loans, & Mortgages Receivable - Current	-	-	65,527	-	-
Fraud Recovery	-	47,492	-	-	-
Allowance for Doubtful Accounts - Fraud	-	(47,492)	-	-	-
Accrued Interest Receivable	-	-	-	-	-
Total Receivables, Net	93,784	5,518	65,527	60,538	28,861
Other Current Assets:					
Investments - Unrestricted	-	-	-	-	-
Investments - Restricted	-	-	-	-	-
Investments- Restricted for Payment of Current Liability	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-
Inventories	-	-	-	-	-
Allowance for Obsolete Inventories	-	-	-	-	-
Inter Program Due From	-	-	-	-	-
Assets Held for Sale	-	-	59,800	-	-
TOTAL CURRENT ASSETS	3,926,773	485,057	125,327	60,538	28,861
NONCURRENT ASSETS:					
Capital Assets:					
Land	2,629,333	-	593,781	-	-
Buildings	27,559,707	-	675,684	-	-
Furniture, Equipment & Machinery - Dwellings	454,258	-	-	-	-
Furniture, Equipment & Machinery - Administration	-	133,977	-	-	-
Accumulated Depreciation	(20,044,264)	(133,977)	(252,198)	-	-
Construction in Progress	90,380	-	-	-	-
Infrastructure	-	-	-	-	-
Total Capital Assets, Net	10,689,414	-	1,017,267	-	-
Notes, Loans and Mortgages Receivable - Non-Current	8,244,574	-	13,831,607	-	-
Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-	-
Grants Receivable- Non Current	-	-	-	-	-
Other Assets	47,146	-	-	-	-
Investments in Joint Ventures	-	-	2,186,865	-	-
TOTAL NONCURRENT ASSETS	18,981,134	-	17,035,739	-	-
DEFERRED OUTFLOW OF RESOURCES	722,592	366,477	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	23,630,499	851,534	17,161,066	60,538	28,861

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	ROSS 14.870	Section 8 Moderate Housing Assistance 14.856	New Construction Section 8 Programs 14.182	CDBG	HOME
ASSETS AND DEFERRED OUTFLOW OF RESOURCES					
CURRENT ASSETS:					
Cash:					
Cash - Unrestricted	-	-	92,709	-	-
Cash - Restricted- Modernization and Development	-	-	163,334	-	-
Cash - Other Restricted	-	133,209	1,933,651	-	-
Cash - Tenant Security Deposits	-	-	22,267	-	-
Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-
Total Cash	-	133,209	2,211,961	-	-
Accounts and notes receivables:					
Accounts Receivable - PHA Projects	-	-	-	-	-
Accounts Receivable - HUD Other Projects	70,107	-	-	1,647	-
Accounts Receivable- Other Government	-	-	-	-	-
Accounts Receivable - Miscellaneous	-	-	-	-	-
Accounts Receivable - Tenants	-	4,772	605	-	-
Allowance for Doubtful Accounts - Tenants	-	(4,040)	(357)	-	-
Allowance for Doubtful Accounts - Other	-	-	-	-	-
Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-
Fraud Recovery	-	-	-	-	-
Allowance for Doubtful Accounts - Fraud	-	-	-	-	-
Accrued Interest Receivable	-	-	-	-	-
Total Receivables, Net	70,107	732	248	1,647	-
Other Current Assets:					
Investments - Unrestricted	-	-	-	-	-
Investments - Restricted	-	-	-	-	-
Investments- Restricted for Payment of Current Liability	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-
Inventories	-	-	-	-	-
Allowance for Obsolete Inventories	-	-	-	-	-
Inter Program Due From	-	-	-	-	-
Assets Held for Sale	-	-	-	-	-
TOTAL CURRENT ASSETS	70,107	133,941	2,212,209	1,647	-
NONCURRENT ASSETS:					
Capital Assets:					
Land	-	-	408,618	-	-
Buildings	-	-	3,110,009	-	-
Furniture, Equipment & Machinery - Dwellings	-	-	94,314	-	-
Furniture, Equipment & Machinery - Administration	-	-	47,268	-	-
Accumulated Depreciation	-	-	(3,251,591)	-	-
Construction in Progress	-	-	-	-	-
Infrastructure	-	-	-	-	-
Total Capital Assets, Net	-	-	408,618	-	-
Notes, Loans and Mortgages Receivable - Non-Current	-	-	190,541	-	-
Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-	-
Grants Receivable- Non Current	-	-	-	-	-
Other Assets	-	-	-	-	-
Investments in Joint Ventures	-	-	-	-	-
TOTAL NONCURRENT ASSETS	-	-	599,159	-	-
DEFERRED OUTFLOW OF RESOURCES	-	-	46,392	-	-
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	70,107	133,941	2,857,760	1,647	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	Section 8 Special Allocations 14.195	State/Local	Blended Component Unit	COCC	Subtotal
ASSETS AND DEFERRED OUTFLOW OF RESOURCES					
CURRENT ASSETS:					
Cash:					
Cash - Unrestricted	-	567,370	-	1,053	4,703,638
Cash - Restricted- Modernization and Development	-	-	-	-	163,334
Cash - Other Restricted	-	-	-	-	2,244,642
Cash - Tenant Security Deposits	-	7,034	8,211	-	129,752
Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-
Total Cash	-	574,404	8,211	1,053	7,241,366
Accounts and notes receivables:					
Accounts Receivable - PHA Projects	-	-	-	-	-
Accounts Receivable - HUD Other Projects	-	-	-	-	215,420
Accounts Receivable- Other Government	-	139,510	-	36,897	207,318
Accounts Receivable - Miscellaneous	-	-	123,940	-	138,050
Accounts Receivable - Tenants	-	-	-	-	11,605
Allowance for Doubtful Accounts -Tenants	-	-	-	-	(8,332)
Allowance for Doubtful Accounts - Other	-	-	(123,940)	-	(126,219)
Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	65,527
Fraud Recovery	-	-	-	-	47,492
Allowance for Doubtful Accounts - Fraud	-	-	-	-	(47,492)
Accrued Interest Receivable	-	-	-	-	-
Total Receivables, Net	-	139,510	-	36,897	503,369
Other Current Assets:					
Investments - Unrestricted	-	-	-	-	-
Investments - Restricted	-	-	-	-	-
Investments- Restricted for Payment of Current Liability	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	16,222	97,982	114,204
Inventories	-	-	-	-	-
Allowance for Obsolete Inventories	-	-	-	-	-
Inter Program Due From	-	-	-	1,073,678	1,073,678
Assets Held for Sale	-	-	-	-	59,800
TOTAL CURRENT ASSETS	-	713,914	24,433	1,209,610	8,992,417
NONCURRENT ASSETS:					
Capital Assets:					
Land	-	1,283,790	243,321	-	5,158,843
Buildings	-	1,199,498	1,933,374	3,226	34,481,498
Furniture, Equipment & Machinery - Dwellings	-	32,992	-	-	581,564
Furniture, Equipment & Machinery - Administration	-	-	47,211	527,996	756,452
Accumulated Depreciation	-	(52,491)	(1,168,113)	(521,426)	(25,424,060)
Construction in Progress	-	-	-	-	90,380
Infrastructure	-	-	-	-	-
Total Capital Assets, Net	-	2,463,789	1,055,793	9,796	15,644,677
Notes, Loans and Mortgages Receivable - Non-Current	-	-	300,000	-	22,566,722
Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-	-
Grants Receivable- Non Current	-	-	-	-	-
Other Assets	-	-	93,125	-	140,271
Investments in Joint Ventures	-	-	-	-	2,186,865
TOTAL NONCURRENT ASSETS	-	2,463,789	1,448,918	9,796	40,538,535
DEFERRED OUTFLOW OF RESOURCES	-	-	-	1,622,054	2,757,515
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	-	3,177,703	1,473,351	2,841,460	52,288,467

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	ELIM	Total	Discretely Presented Component Unit	Grand Total
ASSETS AND DEFERRED OUTFLOW OF RESOURCES				
CURRENT ASSETS:				
Cash:				
Cash - Unrestricted	-	4,703,638	-	4,703,638
Cash - Restricted- Modernization and Development	-	163,334	-	163,334
Cash - Other Restricted	-	2,244,642	-	2,244,642
Cash - Tenant Security Deposits	-	129,752	-	129,752
Cash - Restricted for Payment of Current Liabilities	-	-	-	-
Total Cash	-	7,241,366	-	7,241,366
Accounts and notes receivables:				
Accounts Receivable - PHA Projects	-	-	-	-
Accounts Receivable - HUD Other Projects	-	215,420	-	215,420
Accounts Receivable- Other Government	-	207,318	-	207,318
Accounts Receivable - Miscellaneous	-	138,050	-	138,050
Accounts Receivable - Tenants	-	11,605	-	11,605
Allowance for Doubtful Accounts -Tenants	-	(8,332)	-	(8,332)
Allowance for Doubtful Accounts - Other	-	(126,219)	-	(126,219)
Notes, Loans, & Mortgages Receivable - Current	-	65,527	-	65,527
Fraud Recovery	-	47,492	-	47,492
Allowance for Doubtful Accounts - Fraud	-	(47,492)	-	(47,492)
Accrued Interest Receivable	-	-	-	-
Total Receivables, Net	-	503,369	-	503,369
Other Current Assets:				
Investments - Unrestricted	-	-	-	-
Investments - Restricted	-	-	-	-
Investments- Restricted for Payment of Current Liability	-	-	-	-
Prepaid Expenses and Other Assets	-	114,204	-	114,204
Inventories	-	-	-	-
Allowance for Obsolete Inventories	-	-	-	-
Inter Program Due From	(1,073,678)	-	-	-
Assets Held for Sale	-	59,800	-	59,800
TOTAL CURRENT ASSETS	(1,073,678)	7,918,739	-	7,918,739
NONCURRENT ASSETS:				
Capital Assets:				
Land	-	5,158,843	-	5,158,843
Buildings	-	34,481,498	-	34,481,498
Furniture, Equipment & Machinery - Dwellings	-	581,564	-	581,564
Furniture, Equipment & Machinery - Administration	-	756,452	-	756,452
Accumulated Depreciation	-	(25,424,060)	-	(25,424,060)
Construction in Progress	-	90,380	-	90,380
Infrastructure	-	-	-	-
Total Capital Assets, Net	-	15,644,677	-	15,644,677
Notes, Loans and Mortgages Receivable - Non-Current	(190,541)	22,376,181	-	22,376,181
Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-
Grants Receivable- Non Current	-	-	-	-
Other Assets	-	140,271	-	140,271
Investments in Joint Ventures	-	2,186,865	-	2,186,865
TOTAL NONCURRENT ASSETS	(190,541)	40,347,994	-	40,347,994
DEFERRED OUTFLOW OF RESOURCES	-	2,757,515	-	2,757,515
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	(1,264,219)	51,024,248	-	51,024,248

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	Low-Rent Public Housing 14,850	Housing Choice Vouchers 14,871	Business Activities	Multifamily Housing Service Coordinators 14,191	Youth Build Program 17,274
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION					
LIABILITIES:					
CURRENT LIABILITIES:					
Bank Overdraft	-	-	-	-	-
Accounts Payable <= 90 Days	300,508	105,986	82	2,002	3,023
Accounts Payable >90 Days Past Due	-	-	-	-	-
Accrued Wage/Payroll Taxes Payable	23,100	11,498	-	-	3,106
Accrued Compensated Absences - Current Portion	2,847	3,806	-	468	118
Accrued Contingency Liability	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-
Accounts Payable - HUD PHA Programs	-	-	-	-	-
Account Payable - PHA Projects	-	-	-	-	-
Accounts Payable - Other Government	-	-	-	-	-
Tenant Security Deposits	92,240	-	-	-	-
Unearned Revenue	8,547	-	-	-	-
Current Portion of Long Term Debt - Capital Projects/Mortgage Revenue	-	-	6,462	-	-
Current Portion of Long Term Debt-Operating Borrowings	-	-	-	-	-
Other Current Liabilities	26,949	-	-	-	-
Accrued Liabilities - Other	26,285	5,021	19,433	-	-
Inter Program - Due To	-	-	493,169	57,985	21,948
Loan Liability - Current	-	-	-	-	-
TOTAL CURRENT LIABILITIES	480,476	126,311	519,146	60,455	28,195
NONCURRENT LIABILITIES:					
Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	379,309	-	-
Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-
Non-current Liabilities - Other	16,100	85,401	-	-	-
Accrued Compensated Absences - Non Current	16,123	21,571	-	83	666
Loan Liability - Non Current	-	-	190,541	-	-
FASB 5 Liabilities	-	-	-	-	-
Accrued Pension and OPEB Liabilities	1,064,768	540,020	-	-	-
TOTAL NONCURRENT LIABILITIES	1,096,991	646,992	569,850	83	666
TOTAL LIABILITIES	1,577,467	773,303	1,088,996	60,538	28,861
DEFERRED INFLOW OF RESOURCES	57,062	28,941	-	-	-
NET POSITION :					
Net Investment in Capital Assets	10,689,414	-	631,496	-	-
Restricted Net Position	8,244,574	76,281	13,897,134	-	-
Unrestricted Net Position	3,061,982	(26,991)	1,543,440	-	-
TOTAL NET POSITION	21,995,970	49,290	16,072,070	-	-
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	23,630,499	851,534	17,161,066	60,538	28,861

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	ROSS 14.870	Section 8 Moderate Housing Assistance 14.856	New Construction Section 8 Programs 14.182	CDBG	HOME
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LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION					
LIABILITIES:					
CURRENT LIABILITIES:					
Bank Overdraft	-	-	-	-	-
Accounts Payable <= 90 Days	-	184	93,624	-	-
Accounts Payable >90 Days Past Due	-	548	-	-	-
Accrued Wage/Payroll Taxes Payable	3,604	-	3,277	-	-
Accrued Compensated Absences - Current Portion	2,274	-	1,117	-	-
Accrued Contingency Liability	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-
Accounts Payable - HUD PHA Programs	-	133,209	-	-	-
Account Payable - PHA Projects	-	-	-	-	-
Accounts Payable - Other Government	-	-	-	-	-
Tenant Security Deposits	-	-	22,267	-	-
Unearned Revenue	-	-	582	-	-
Current Portion of Long Term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	-
Current Portion of Long Term Debt-Operating Borrowings	-	-	-	-	-
Other Current Liabilities	-	-	-	-	-
Accrued Liabilities - Other	-	-	-	-	-
Inter Program - Due To	63,827	-	-	1,647	-
Loan Liability - Current	-	-	-	-	-
TOTAL CURRENT LIABILITIES	69,705	133,941	120,867	1,647	-
NONCURRENT LIABILITIES:					
Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	-
Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-
Non-current Liabilities - Other	-	-	-	-	-
Accrued Compensated Absences - Non Current	402	-	6,330	-	-
Loan Liability - Non Current	-	-	-	-	-
FASB 5 Liabilities	-	-	-	-	-
Accrued Pension and OPEB Liabilities	-	-	68,361	-	-
TOTAL NONCURRENT LIABILITIES	402	-	74,691	-	-
TOTAL LIABILITIES	70,107	133,941	195,558	1,647	-
DEFERRED INFLOW OF RESOURCES			3,664	-	-
NET POSITION :					
Net Investment in Capital Assets	-	-	408,618	-	-
Restricted Net Position	-	-	2,096,985	-	-
Unrestricted Net Position	-	-	152,935	-	-
TOTAL NET POSITION	-	-	2,658,538	-	-
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	70,107	133,941	2,857,760	1,647	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	Section 8 Special Allocations 14.195	State/Local	Blended Component Unit	COCC	Subtotal
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION					
LIABILITIES:					
CURRENT LIABILITIES:					
Bank Overdraft	-	-	-	-	-
Accounts Payable <= 90 Days	-	4,403	23,409	76,982	610,203
Accounts Payable >90 Days Past Due	-	-	-	-	548
Accrued Wage/Payroll Taxes Payable	-	1,231	158	12,834	58,808
Accrued Compensated Absences - Current Portion	-	-	-	9,594	20,224
Accrued Contingency Liability	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-
Accounts Payable - HUD PHA Programs	-	-	-	-	133,209
Account Payable - PHA Projects	-	-	-	-	-
Accounts Payable - Other Government	-	-	-	-	-
Tenant Security Deposits	-	7,034	8,211	-	129,752
Unearned Revenue	-	19	49	-	9,197
Current Portion of Long Term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	6,462
Current Portion of Long Term Debt-Operating Borrowings	-	-	-	-	-
Other Current Liabilities	-	23,507	-	-	50,456
Accrued Liabilities - Other	-	2,077	-	17,510	70,326
Inter Program - Due To	-	-	435,102	-	1,073,678
Loan Liability - Current	-	-	-	-	-
TOTAL CURRENT LIABILITIES	-	38,271	466,929	116,920	2,162,863
NONCURRENT LIABILITIES:					
Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	379,309
Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-
Non-current Liabilities - Other	-	-	-	-	101,501
Accrued Compensated Absences - Non Current	-	-	-	54,369	99,544
Loan Liability - Non Current	-	-	-	-	190,541
FASB 5 Liabilities	-	-	-	-	-
Accrued Pension and OPEB Liabilities	-	-	-	2,390,166	4,063,315
TOTAL NONCURRENT LIABILITIES	-	-	-	2,444,535	4,834,210
TOTAL LIABILITIES	-	38,271	466,929	2,561,455	6,997,073
DEFERRED INFLOW OF RESOURCES					
	-	-	-	128,093	217,760
NET POSITION :					
Net Investment in Capital Assets	-	2,463,789	1,055,793	9,796	15,258,906
Restricted Net Position	-	-	300,000	-	24,614,974
Unrestricted Net Position	-	675,643	(349,371)	142,116	5,199,754
TOTAL NET POSITION	-	3,139,432	1,006,422	151,912	45,073,634
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION					
	-	3,177,703	1,473,351	2,841,460	52,288,467

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	ELIM	Total	Discretely Presented Component Unit	Grand Total
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION				
LIABILITIES:				
CURRENT LIABILITIES:				
Bank Overdraft	-	-	-	-
Accounts Payable <= 90 Days	-	610,203	-	610,203
Accounts Payable >90 Days Past Due	-	548	-	548
Accrued Wage/Payroll Taxes Payable	-	58,808	-	58,808
Accrued Compensated Absences - Current Portion	-	20,224	-	20,224
Accrued Contingency Liability	-	-	-	-
Accrued Interest Payable	-	-	-	-
Accounts Payable - HUD PHA Programs	-	133,209	-	133,209
Account Payable - PHA Projects	-	-	-	-
Accounts Payable - Other Government	-	-	-	-
Tenant Security Deposits	-	129,752	-	129,752
Unearned Revenue	-	9,197	-	9,197
Current Portion of Long Term Debt - Capital Projects/Mortgage Revenue	-	6,462	-	6,462
Current Portion of Long Term Debt-Operating Borrowings	-	-	-	-
Other Current Liabilities	-	50,456	-	50,456
Accrued Liabilities - Other	-	70,326	-	70,326
Inter Program - Due To	(1,073,678)	-	-	-
Loan Liability - Current	-	-	-	-
TOTAL CURRENT LIABILITIES	(1,073,678)	1,089,185	-	1,089,185
NONCURRENT LIABILITIES:				
Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	379,309	-	379,309
Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-
Non-current Liabilities - Other	-	101,501	-	101,501
Accrued Compensated Absences - Non Current	-	99,544	-	99,544
Loan Liability - Non Current	(190,541)	-	-	-
FASB 5 Liabilities	-	-	-	-
Accrued Pension and OPEB Liabilities	-	4,063,315	-	4,063,315
TOTAL NONCURRENT LIABILITIES	(190,541)	4,643,669	-	4,643,669
TOTAL LIABILITIES	(1,264,219)	5,732,854	-	5,732,854
DEFERRED INFLOW OF RESOURCES				
	-	217,760	-	217,760
NET POSITION :				
Net Investment in Capital Assets	-	15,258,906	-	15,258,906
Restricted Net Position	-	24,614,974	-	24,614,974
Unrestricted Net Position	-	5,199,754	-	5,199,754
TOTAL NET POSITION	-	45,073,634	-	45,073,634
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION				
	(1,264,219)	51,024,248	-	51,024,248

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	Low-Rent Public Housing 14,850	Housing Choice Vouchers 14,871	Business Activities	Multifamily Housing Service Coordinators 14,191	Youth Build Program 17,274
REVENUES:					
Net Tenant Rental Revenue	1,219,205	-	-	-	-
Tenant Revenue - Other	131,402	-	-	-	-
Total Tenant Revenue	1,350,607	-	-	-	-
HUD PHA Operating Grants	3,516,444	11,712,040	-	72,760	-
Capital Grants	27,818	-	-	-	-
Management Fee	-	-	-	-	-
Asset Management Fee	-	-	-	-	-
Book Keeping Fee	-	-	-	-	-
Front Line Service Fee	-	-	-	-	-
Other Fees	-	-	-	-	-
Total Fees Revenue	-	-	-	-	-
Other Government Grants	-	-	-	-	450,798
Investment Income - Unrestricted	-	-	-	-	-
Mortgage Interest Income	-	-	-	-	-
Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-
Cost of Sale of Assets	-	-	-	-	-
Fraud Recovery	-	21,552	-	-	-
Other Revenue	52,637	283,464	-	10	-
Gain or Loss on Sale of Capital Assets	549,124	-	62,550	-	-
Investment Income - Restricted	-	-	-	-	-
TOTAL REVENUES	5,496,630	12,017,056	62,550	72,770	450,798
EXPENSES:					
Administrative					
Administrative Salaries	599,406	368,969	-	46,674	112,120
Auditing Fees	20,104	5,395	-	-	-
Management Fee	330,896	305,916	-	-	105,056
Book-keeping Fee	43,045	191,198	-	-	792
Advertising and Marketing	222	811	-	-	197
Employee Benefit contributions - Administrative	361,424	245,031	-	21,311	52,899
Office Expenses	62,586	80,741	3,173	1,383	-
Legal Expense	13,489	2,554	5	-	-
Travel Expense	3,090	-	-	513	7,427
Allocated Overhead	-	-	-	-	-
Other	442,367	47,342	-	-	20,666
Total Administrative Expense	1,876,629	1,247,957	3,178	69,881	299,157
Asset Management Fee	58,840	-	-	-	-
Tenant Services					
Tenant Services - Salaries	-	-	-	-	-
Relocation Costs	2,014	-	-	-	-
Employee Benefit Contributions - Tenant Services	3,438	2,508	-	-	-
Tenant Services - Other	29,012	-	-	245	44,071
Total Tenant Services	34,464	2,508	-	245	44,071
Utilities					
Water	142,975	-	721	-	872
Electricity	349,092	-	646	-	13
Gas	135,182	-	-	-	115
Fuel	-	-	-	-	-
Labor	-	-	-	-	-
Sewer	213,359	-	944	-	514
Employee Benefit Contributions - Utilities	-	-	-	-	-
Other Utilities Expense	-	-	-	-	-
Total Utilities	840,608	-	2,311	-	1,514
Ordinary Maintenance & Operations					
Ordinary Maintenance and Operations - Labor	288,598	-	-	-	-
Ordinary Maintenance and Operations - Materials and Other	244,245	5,162	329	-	53,215
Ordinary Maintenance and Operations Contracts	718,186	51,114	34,651	-	31,899
Employee Benefit Contributions - Ordinary Maintenance	142,689	21,053	-	-	-
Total Maintenance	1,393,718	77,329	34,980	-	85,114

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	ROSS 14.870	Section 8 Moderate Housing Assistance 14.856	New Construction Section 8 Programs 14.182	CDBG	HOME
REVENUES:					
Net Tenant Rental Revenue	-	-	316,748	-	-
Tenant Revenue - Other	-	-	1,250	-	-
Total Tenant Revenue	-	-	317,998	-	-
HUD PHA Operating Grants	291,797	1,460,679	494,015	2,396	-
Capital Grants	-	-	-	-	-
Management Fee	-	-	-	-	-
Asset Management Fee	-	-	-	-	-
Book Keeping Fee	-	-	-	-	-
Front Line Service Fee	-	-	-	-	-
Other Fees	-	-	-	-	-
Total Fees Revenue	-	-	-	-	-
Other Government Grants	-	-	-	-	-
Investment Income - Unrestricted	-	-	-	-	-
Mortgage Interest Income	-	-	-	-	-
Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-
Cost of Sale of Assets	-	-	-	-	-
Fraud Recovery	-	-	-	-	-
Other Revenue	60	-	164,796	-	-
Gain or Loss on Sale of Capital Assets	-	-	-	-	-
Investment Income - Restricted	-	-	-	-	-
TOTAL REVENUES	291,857	1,460,679	976,809	2,396	-
EXPENSES:					
Administrative					
Administrative Salaries	170,169	66,677	102,375	-	-
Auditing Fees	-	1,974	4,486	-	-
Management Fee	-	28,584	62,102	-	-
Book-keeping Fee	-	17,865	8,595	-	-
Advertising and Marketing	-	16	216	-	-
Employee Benefit contributions - Administrative	43,892	24,461	39,292	-	-
Office Expenses	-	9,102	10,938	-	-
Legal Expense	-	2,699	-	-	-
Travel Expense	-	-	403	-	-
Allocated Overhead	-	-	-	-	-
Other	19,365	17,147	18,038	94	-
Total Administrative Expense	233,426	168,525	246,445	94	-
Asset Management Fee	-	-	12,000	-	-
Tenant Services					
Tenant Services - Salaries	40,859	-	-	-	-
Relocation Costs	-	-	-	-	-
Employee Benefit Contributions - Tenant Services	3,533	-	319	-	-
Tenant Services - Other	26	-	7,137	2,302	-
Total Tenant Services	44,418	-	7,456	2,302	-
Utilities					
Water	-	-	17,848	-	-
Electricity	-	-	58,356	-	-
Gas	-	-	35,195	-	-
Fuel	-	-	-	-	-
Labor	-	-	-	-	-
Sewer	-	-	23,771	-	-
Employee Benefit Contributions - Utilities	-	-	-	-	-
Other Utilities Expense	-	-	-	-	-
Total Utilities	-	-	135,170	-	-
Ordinary Maintenance & Operations					
Ordinary Maintenance and Operations - Labor	-	-	51,214	-	-
Ordinary Maintenance and Operations - Materials and Other	-	-	20,796	-	-
Ordinary Maintenance and Operations Contracts	-	-	154,625	-	-
Employee Benefit Contributions - Ordinary Maintenance	-	-	14,437	-	-
Total Maintenance	-	-	241,072	-	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	Section 8 Special Allocations 14.195	State/Local	Blended Component Unit	COCC	Subtotal
REVENUES:					
Net Tenant Rental Revenue	-	36,608	109,003	-	1,681,564
Tenant Revenue - Other	-	-	1,733	-	134,385
Total Tenant Revenue	-	36,608	110,736	-	1,815,949
HUD PHA Operating Grants	114,856	-	-	-	17,664,987
Capital Grants	-	-	-	-	27,818
Management Fee	-	-	-	837,269	837,269
Asset Management Fee	-	-	-	77,640	77,640
Book Keeping Fee	-	-	-	264,998	264,998
Front Line Service Fee	-	-	-	-	-
Other Fees	-	-	-	-	-
Total Fees Revenue	-	-	-	1,179,907	1,179,907
Other Government Grants	-	-	-	-	450,798
Investment Income - Unrestricted	-	-	-	-	-
Mortgage Interest Income	-	-	-	-	-
Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-
Cost of Sale of Assets	-	-	-	-	-
Fraud Recovery	-	-	-	-	-
Other Revenue	-	63,006	13,379	339,614	-
Gain or Loss on Sale of Capital Assets	-	-	(14,200)	4,025	-
Investment Income - Restricted	-	-	-	-	-
TOTAL REVENUES	114,856	99,614	109,915	1,523,546	21,139,459
EXPENSES:					
Administrative					
Administrative Salaries	-	76,664	17,474	581,991	2,142,519
Auditing Fees	-	290	1,164	8,877	42,290
Management Fee	-	4,715	-	-	837,269
Book-keeping Fee	-	653	2,850	-	264,998
Advertising and Marketing	-	-	20,592	1,316	23,370
Employee Benefit contributions - Administrative	-	18,156	4,439	699,478	1,510,383
Office Expenses	-	38,471	13,155	192,136	411,685
Legal Expense	-	33,197	7,446	2,778	62,168
Travel Expense	-	34,444	-	2,191	48,068
Allocated Overhead	-	-	-	-	-
Other	-	15,535	-	59,727	640,281
Total Administrative Expense	-	222,125	67,120	1,548,494	5,983,031
Asset Management Fee	-	960	3,840	-	75,640
Tenant Services					
Tenant Services - Salaries	-	-	-	-	40,859
Relocation Costs	-	242	-	-	2,256
Employee Benefit Contributions - Tenant Services	-	-	-	8,432	18,230
Tenant Services - Other	-	-	1,301	-	84,094
Total Tenant Services	-	242	1,301	8,432	145,439
Utilities					
Water	-	12,601	6,348	1,507	182,872
Electricity	-	485	19,484	17,549	445,625
Gas	-	997	12,529	3,290	187,308
Fuel	-	-	-	-	-
Labor	-	-	-	-	-
Sewer	-	822	7,623	294	247,327
Employee Benefit Contributions - Utilities	-	-	-	-	-
Other Utilities Expense	-	-	-	-	-
Total Utilities	-	14,905	45,984	22,640	1,063,132
Ordinary Maintenance & Operations					
Ordinary Maintenance and Operations - Labor	-	452	1,881	949	343,094
Ordinary Maintenance and Operations - Materials and Other	-	8,692	33,716	38,057	404,212
Ordinary Maintenance and Operations Contracts	-	39,576	31,522	202,687	1,264,260
Employee Benefit Contributions - Ordinary Maintenance	-	32	1,782	70,803	250,796
Total Maintenance	-	48,752	68,901	312,496	2,262,362

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	ELIM	Total	Discretely Presented Component Unit	Grand Total
REVENUES:				
Net Tenant Rental Revenue	-	1,681,564	-	1,681,564
Tenant Revenue - Other	-	134,385	-	134,385
Total Tenant Revenue	-	1,815,949	-	1,815,949
HUD PHA Operating Grants	-	17,664,987	-	17,664,987
Capital Grants	-	27,818	-	27,818
Management Fee	(837,269)	-	-	-
Asset Management Fee	(77,640)	-	-	-
Book Keeping Fee	(264,998)	-	-	-
Front Line Service Fee	-	-	-	-
Other Fees	-	-	-	-
Total Fees Revenue	(1,179,907)	-	-	-
Other Government Grants	-	450,798	-	450,798
Investment Income - Unrestricted	-	-	-	-
Mortgage Interest Income	-	-	-	-
Proceeds from Disposition of Assets Held for Sale	-	-	-	-
Cost of Sale of Assets	-	-	-	-
Fraud Recovery	-	-	-	-
Other Revenue	-	-	-	-
Gain or Loss on Sale of Capital Assets	-	-	2,779,281	2,779,281
Investment Income - Restricted	-	-	-	-
TOTAL REVENUES	(1,179,907)	19,959,552	2,779,281	22,738,833
EXPENSES:				
Administrative				
Administrative Salaries	-	2,142,519	-	2,142,519
Auditing Fees	-	42,290	-	42,290
Management Fee	(837,269)	-	-	-
Book-keeping Fee	(264,998)	-	-	-
Advertising and Marketing	-	23,370	-	23,370
Employee Benefit contributions - Administrative	-	1,510,383	-	1,510,383
Office Expenses	-	411,685	-	411,685
Legal Expense	-	62,168	-	62,168
Travel Expense	-	48,068	-	48,068
Allocated Overhead	-	-	-	-
Other	-	640,281	-	640,281
Total Administrative Expense	(1,102,267)	4,880,764	-	4,880,764
Asset Management Fee	(77,640)	(2,000)	-	(2,000)
Tenant Services				
Tenant Services - Salaries	-	40,859	-	40,859
Relocation Costs	-	2,256	-	2,256
Employee Benefit Contributions - Tenant Services	-	18,230	-	18,230
Tenant Services - Other	-	84,094	-	84,094
Total Tenant Services	-	145,439	-	145,439
Utilities				
Water	-	182,872	-	182,872
Electricity	-	445,625	-	445,625
Gas	-	187,308	-	187,308
Fuel	-	-	-	-
Labor	-	-	-	-
Sewer	-	247,327	-	247,327
Employee Benefit Contributions - Utilities	-	-	-	-
Other Utilities Expense	-	-	-	-
Total Utilities	-	1,063,132	-	1,063,132
Ordinary Maintenance & Operations				
Ordinary Maintenance and Operations - Labor	-	343,094	-	343,094
Ordinary Maintenance and Operations - Materials and Other	-	404,212	-	404,212
Ordinary Maintenance and Operations Contracts	-	1,264,260	-	1,264,260
Employee Benefit Contributions - Ordinary Maintenance	-	250,796	-	250,796
Total Maintenance	-	2,262,362	-	2,262,362

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	Low-Rent Public Housing 14,850	Housing Choice Vouchers 14,871	Business Activities	Multifamily Housing Service Coordinators 14,191	Youth Build Program 17,274
EXPENSES (continued):					
Protective Services					
Protective Services- Labor	-	-	-	-	-
Protective Services - Other Contract Costs	-	-	-	-	-
Protective Services - Other	12,076	-	-	-	-
Employee Benefit Contributions- Protective Services	-	-	-	-	-
Total Protective Services	12,076	-	-	-	-
Insurance Premiums					
Property Insurance	19,544	-	-	-	-
Liability Insurance	26,744	16,001	2,014	1,665	8,249
Workmen's Compensation	19,249	9,895	-	979	5,179
All Other Insurance	-	-	-	-	-
Total insurance Premiums	65,537	25,896	2,014	2,644	13,428
General Expenses					
Other General Expenses	164,485	9,238	-	-	7,514
Compensated Absences	-	-	-	-	-
Payments in Lieu of Taxes	19,080	-	6,079	-	-
Bad debt - Tenant Rents	45,840	-	-	-	-
Bad debt - Other	-	-	116,849	-	-
Severance Expense	-	-	-	-	-
Total Other General Expenses	229,405	9,238	122,928	-	7,514
Financial Expenses					
Interest of Mortgage (or Bonds) Payable	-	-	(12,484)	-	-
Interest on Notes Payable (Short and Long Term)	-	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	-	-
Total Financial Expenses	-	-	(12,484)	-	-
TOTAL OPERATING EXPENSES	4,511,277	1,362,928	152,927	72,770	450,798
EXCESS OPERATING REVENUE	985,353	10,654,128	(90,377)	-	-
Other Expenses					
Extraordinary Maintenance	-	-	-	-	-
Casualty Losses- Non-capitalized	-	-	-	-	-
Housing Assistance Payments	-	11,137,523	-	-	-
HAP Portability-In	-	-	-	-	-
Depreciation Expense	1,042,764	8,055	33,784	-	-
Fraud Losses	-	-	-	-	-
Capital Outlays- Governmental Funds	-	-	-	-	-
Debt Principal Payment- Governmental Funds	-	-	-	-	-
Dwelling Units Rent Expense	885,172	-	-	-	-
Total Other Expenses	1,927,936	11,145,578	33,784	-	-
TOTAL EXPENSES	6,439,213	12,508,506	186,711	72,770	450,798
EXCESS OF REVENUE OVER EXPENSES	(942,583)	(491,450)	(124,161)	-	-
Prior period adjustment, equity transfers, and correction of errors	(166,736)	-	-	-	-
Operating transfer in/out	-	-	-	-	-
Operating transfers from/to Primary Government	-	-	-	-	-
Operating transfers from/to Component Unit	-	-	-	-	-
Extraordinary items, net gain/loss	-	-	-	-	-
Special items (net gain/loss)	-	-	-	-	-
Transfers between program and project - in	27,818	-	-	-	-
Transfers between program and project - out	(27,818)	-	-	-	-
Beginning Net Position	23,105,289	540,740	16,196,231	-	-
Ending Net Position	21,995,970	49,290	16,072,070	-	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	ROSS 14,870	Section 8 Moderate Housing Assistance 14,856	New Construction Section 8 Programs 14,182	CDBG	HOME
EXPENSES (continued):					
Protective Services					
Protective Services- Labor		-	-	-	-
Protective Services - Other Contract Costs	-	-	-	-	-
Protective Services - Other	-	-	-	-	-
Employee Benefit Contributions- Protective Services	-	-	-	-	-
Total Protective Services	-	-	-	-	-
Insurance Premiums					
Property Insurance	-	-	-	-	-
Liability Insurance	8,645	3,549	5,318	-	-
Workmen's Compensation	5,368	2,195	3,375	-	-
All Other Insurance	-	-	-	-	-
Total insurance Premiums	14,013	5,744	8,693	-	-
General Expenses					
Other General Expenses	-	-	161	-	-
Compensated Absences	-	-	-	-	-
Payments in Lieu of Taxes	-	-	2,310	-	-
Bad debt - Tenant Rents	-	-	-	-	-
Bad debt - Other	-	-	-	-	-
Severance Expense	-	-	-	-	-
Total Other General Expenses	-	-	2,471	-	-
Financial Expenses					
Interest of Mortgage (or Bonds) Payable	-	-	-	-	-
Interest on Notes Payable (Short and Long Term)	-	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	-	-
Total Financial Expenses	-	-	-	-	-
TOTAL OPERATING EXPENSES	291,857	174,269	653,307	2,396	-
EXCESS OPERATING REVENUE	-	1,286,410	323,502	-	-
Other Expenses					
Extraordinary Maintenance	-	-	25,822	-	-
Casualty Losses- Non-capitalized	-	-	-	-	-
Housing Assistance Payments	-	1,292,212	-	-	-
HAP Portability-In	-	-	-	-	-
Depreciation Expense	-	-	-	-	-
Fraud Losses	-	-	-	-	-
Capital Outlays- Governmental Funds	-	-	-	-	-
Debt Principal Payment- Governmental Funds	-	-	-	-	-
Dwelling Units Rent Expense	-	-	-	-	-
Total Other Expenses	-	1,292,212	25,822	-	-
TOTAL EXPENSES	291,857	1,466,481	679,129	2,396	-
EXCESS OF REVENUE OVER EXPENSES	-	(5,802)	297,680	-	-
Prior period adjustment, equity transfers, and correction of errors	-	5,802	-	-	166,736
Operating transfer in/out	-	-	-	-	-
Operating transfers from/to Primary Government	-	-	-	-	-
Operating transfers from/to Component Unit	-	-	-	-	-
Extraordinary items, net gain/loss	-	-	-	-	-
Special items (net gain/loss)	-	-	-	-	-
Transfers between program and project - in	-	-	-	-	-
Transfers between program and project - out	-	-	-	-	-
Beginning Net Position	-	-	2,360,858	-	(166,736)
Ending Net Position	-	-	2,658,538	-	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	Section 8 Special Allocations 14.195	State/Local	Blended Component Unit	COCC	Subtotal
EXPENSES (continued):					
Protective Services					
Protective Services- Labor			-	-	-
Protective Services - Other Contract Costs	-	-	-	-	-
Protective Services - Other	-	-	-	-	12,076
Employee Benefit Contributions- Protective Services			-	-	-
Total Protective Services	-	-	-	-	12,076
Insurance Premiums					
Property Insurance	-	-	-	-	19,544
Liability Insurance	-	22,442	26,128	43,487	164,242
Workmen's Compensation	-	3,135	2,378	20,650	72,403
All Other Insurance	-	-	-	-	-
Total insurance Premiums	-	25,577	28,506	64,137	256,189
General Expenses					
Other General Expenses	-	18,132	-	4,146	203,676
Compensated Absences	-	-	-	-	-
Payments in Lieu of Taxes	-	-	15,683	22,452	65,604
Bad debt - Tenant Rents	-	-	-	-	45,840
Bad debt - Other	-	-	22,462	-	139,311
Severance Expense	-	-	-	-	-
Total Other General Expenses	-	18,132	38,145	26,598	454,431
Financial Expenses					
Interest of Mortgage (or Bonds) Payable	-	-	-	-	(12,484)
Interest on Notes Payable (Short and Long Term)	-	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	-	-
Total Financial Expenses	-	-	-	-	(12,484)
TOTAL OPERATING EXPENSES	-	330,693	253,797	1,982,797	10,239,816
EXCESS OPERATING REVENUE	114,856	(231,079)	(143,882)	(459,251)	10,899,643
Other Expenses					
Extraordinary Maintenance	-	-	-	-	25,822
Casualty Losses- Non-capitalized	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	12,429,735
HAP Portability-In	-	-	-	-	-
Depreciation Expense	-	52,491	77,357	2,238	1,216,689
Fraud Losses	-	-	-	-	-
Capital Outlays- Governmental Funds	-	-	-	-	-
Debt Principal Payment- Governmental Funds	-	-	-	-	-
Dwelling Units Rent Expense	-	-	-	-	885,172
Total Other Expenses	-	52,491	77,357	2,238	14,557,418
TOTAL EXPENSES	-	383,184	331,154	1,985,035	24,797,234
EXCESS OF REVENUE OVER EXPENSES	114,856	(283,570)	(221,239)	(461,489)	(3,657,775)
Prior period adjustment, equity transfers, and correction of errors	-	-	-	(11,850)	(6,048)
Operating transfer in/out	-	-	-	-	-
Operating transfers from/to Primary Government	-	-	-	-	-
Operating transfers from/to Component Unit	(114,856)	-	114,856	-	-
Extraordinary items, net gain/loss	-	-	-	-	-
Special items (net gain/loss)	-	-	-	-	-
Transfers between program and project - in	-	-	-	-	27,818
Transfers between program and project - out	-	-	-	-	(27,818)
Beginning Net Position	-	3,423,002	1,112,805	625,251	47,197,440
Ending Net Position	-	3,139,432	1,006,422	151,912	45,073,634

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	ELIM	Total	Discretely Presented Component Unit	Grand Total
EXPENSES (continued):				
Protective Services				
Protective Services- Labor	-	-		
Protective Services - Other Contract Costs	-	-	-	-
Protective Services - Other	-	12,076	-	12,076
Employee Benefit Contributions- Protective Services	-	-	-	-
Total Protective Services	-	12,076	-	12,076
Insurance Premiums				
Property Insurance	-	19,544	-	19,544
Liability Insurance	-	164,242	4,960	169,202
Workmen's Compensation	-	72,403	-	72,403
All Other Insurance	-	-	-	-
Total insurance Premiums	-	256,189	4,960	261,149
General Expenses				
Other General Expenses	-	203,676	1,088	204,764
Compensated Absences	-	-	-	-
Payments in Lieu of Taxes	-	65,604	-	65,604
Bad debt - Tenant Rents	-	45,840	-	45,840
Bad debt - Other	-	139,311	-	139,311
Severance Expense	-	-	-	-
Total Other General Expenses	-	454,431	1,088	455,519
Financial Expenses				
Interest of Mortgage (or Bonds) Payable	-	(12,484)	-	(12,484)
Interest on Notes Payable (Short and Long Term)	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	-
Total Financial Expenses	-	(12,484)	-	(12,484)
TOTAL OPERATING EXPENSES	(1,179,907)	9,059,909	6,048	9,065,957
EXCESS OPERATING REVENUE	-	10,899,643	2,773,233	13,672,876
Other Expenses				
Extraordinary Maintenance	-	25,822	-	
Casualty Losses- Non-capitalized	-	-	-	
Housing Assistance Payments	-	12,429,735	-	12,429,735
HAP Portability-In	-	-	-	
Depreciation Expense	-	1,216,689	-	1,216,689
Fraud Losses	-	-	-	
Capital Outlays- Governmental Funds	-	-	-	
Debt Principal Payment- Governmental Funds	-	-	-	
Dwelling Units Rent Expense	-	885,172	-	
Total Other Expenses	-	14,557,418	-	13,646,424
TOTAL EXPENSES	(1,179,907)	23,617,327	6,048	22,712,381
EXCESS OF REVENUE OVER EXPENSES	-	(3,657,775)	2,773,233	(884,542)
Prior period adjustment, equity transfers, and correction of errors	-	(6,048)	6,048	-
Operating transfer in/out	-	-	-	-
Operating transfers from/to Primary Government	-	-	-	-
Operating transfers from/to Component Unit	-	-	-	-
Extraordinary items, net gain/loss	-	-	-	-
Special items (net gain/loss)	-	-	-	-
Transfers between program and project - in	-	27,818	-	27,818
Transfers between program and project - out	-	(27,818)	-	(27,818)
Beginning Net Position	-	47,197,440	(2,779,281)	44,418,159
Ending Net Position	-	45,073,634	-	45,073,634

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
Spartanburg, South Carolina
Year ended September 30, 2017

Statement and Certification of Actual Capital Fund Program Costs

Grant Year SC16P003501-15

- 1 The actual program costs of Grant SC16P003501-15 are as follows:

Funds Approved	\$ 1,293,304
Funds Expended	<u>1,293,304</u>
Excess/(Deficiency) of Funds	<u><u>\$ -</u></u>
Funds Advanced	\$ 1,293,304
Funds Expended	<u>1,293,304</u>
Excess/(Deficiency) of Funds Advanced	<u><u>\$ -</u></u>

- 2 No additions during the audit period.
- 3 The total program costs as stated on the Annual Statement/Performance and Evaluation Report is in agreement with the Actual Modernization Cost Certificate as submitted to HUD for approval is in agreement with the PHA's records.
- 4 All Capital Fund Program costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
Spartanburg, South Carolina
Year ended September 30, 2017

Statement and Certification of Actual HOPE VI Program Costs

Grant Number SC16URD003I103

- 1 The actual program costs of Grant SC16URD003I103 are as follows:

Funds Approved	\$ 20,000,000
Funds Expended	<u>20,000,000</u>
Excess/(Deficiency) of Funds	<u><u>\$ -</u></u>
Funds Advanced	\$ 20,000,000
Funds Expended	<u>20,000,000</u>
Excess/(Deficiency) of Funds Advanced	<u><u>\$ -</u></u>

- 2 No additions during the audit period.
- 3 The total program costs as stated on the Annual Statement/Performance and Evaluation Report is in agreement with the Actual Modernization Cost Certificate as submitted to HUD for approval is in agreement with the PHA's records.
- 4 All HOPE VI Program costs have been paid and all related liabilities have been discharged through payment.



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

To the Board of Commissioners of the
Housing Authority of the City of Spartanburg
Spartanburg, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component units of the Housing Authority of the City of Spartanburg (the Authority) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated April 30, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Rubins & Company". The signature is written in a cursive, flowing style.

Bethesda, Maryland
April 30, 2018

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE**

To the Board of Commissioners of the
Housing Authority of the City of Spartanburg
Spartanburg, South Carolina

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Spartanburg's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2017. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Authority, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2017.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Rubins & Company". The signature is written in a cursive, flowing style. The word "Rubins" is followed by an ampersand "&" and then the word "Company".

Bethesda, Maryland
April 30, 2018

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 2017

Federal Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Identifying Number	Total Federal Expenditures
Department of Housing and Urban Development Programs			
Low Income Public Housing	14.850	N/A	\$ 2,845,427
Capital Fund Program	14.872	N/A	698,835
Section 8 Project-Based Cluster:			
Section 8 New Construction and Substantial Rehabilitation	14.182	N/A	494,015
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	N/A	1,460,679
Section 8 Housing Assistance Payments Program	14.195	N/A	<u>114,856</u>
			2,069,550
Housing Voucher Cluster:			
Housing Choice Voucher Program	14.871	N/A	11,712,040
Resident Opportunities and Supportive Services	14.870	N/A	291,797
Multifamily Housing Elderly Service Coordinators	14.191	N/A	<u>72,760</u>
Total Direct Expenditures			17,690,409
Pass through from the City of Spartanburg:			
Community Development Block Grant	14.258	B-16-MC-45-0001	<u>2,396</u>
TOTAL HUD EXPENDITURES			17,692,805
Department of Labor Program			
Youthbuild	17.274	N/A	<u>450,798</u>
TOTAL LABOR EXPENDITURES			<u>450,798</u>
TOTAL FEDERAL EXPENDITURES			<u>\$18,143,603</u>

See Notes to the Schedule

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
September 30, 2017

1. BASIS OF PRESENTATION

The schedule of expenditures of federal awards is presented using the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. SIGNIFICANT ACCOUNTING POLICY

The Authority recognizes grant revenue when earned on an accrual basis; that is, activities prerequisite to obtaining benefit have been completed, such as, complying with the terms and conditions of the grant agreement.

3. SUBRECIPIENTS

The Housing Authority of the City of Spartanburg provided no federal awards to subrecipients during the fiscal year ending September 30, 2017.

4. FINDINGS AND QUESTIONED COSTS

Any findings and questioned costs identified in connection with the 2017 Single Audit would be disclosed in Schedule I and status of prior year findings and questioned costs would be disclosed in Schedule II.

HUD has conducted several reviews of the Authority and has issued their reports on the results of some of these reviews. The Authority has responded to the reviews for which reports have been issued.

5. COST RATES

The Authority has not elected to use the 10% de minimis cost rate.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2017

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor’s report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weakness(es)? | No |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|------------|
| 4. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weakness(es)? | No |
| 5. Type of auditor’s report issued on compliance for major programs: | Unmodified |
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 7. Identification of Major Programs: | |

Federal Grantor/Program Title

CFDA No.

U.S. Department of Housing and Urban Development (HUD):

Housing Choice Voucher Program	14.871	\$	11,712,040
Public Housing Capital Fund Program	14.872	\$	698,835
Project Based Cluster	Various	\$	2,069,550

- | | |
|---|------------|
| 8. Dollar threshold used to distinguish between Type A and Type B programs: | \$ 750,000 |
| 9. Auditee qualified as low-risk auditee? | Yes |

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2017

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

**HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
September 30, 2017**

SECTION I – PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

SECTION II – PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

**Comments and Challenged Elements
from Public Hearing on
5 – Year and Annual Plans
Friday, June 15, 2018
2271 S. Pine Street Spartanburg, SC 29302
4:00 PM**

On Friday, June 15, 2018 the Housing Authority of the City of Spartanburg (SHA) held a Public Hearing at the Central Office Cost Center at 4:00 PM. As a part of the meeting the SHA 5 – Year and Annual Plans were made available 45 days in advance and were also available for distribution at the Public Hearing. The purpose of the meeting was to request input on the plans for possible revisions and comments on the plans themselves.

Notification of the Public Hearing was properly advertised and posted.

There was only one person present at the Public Hearing which was a SHA Staff member.

There were no Public Comments or Challenged Elements to SHA's Plans.



WWW.SHASC.ORG

PUBLIC COMMENTS

June 26, 2018

Tiffany Askew, Housing Choice Voucher Administrator

- 1) SHA will provide Single Room Occupancy (SRO) assistance for up to eight (8) families. A single room occupancy unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the number of units in an SRO facility, but the size of a facility may be limited by local ordinances.
- 2) SHA will open the HCV waiting list to veterans who currently live in Spartanburg County. Families who apply must meet the local residency and veteran preference.
- 3) SHA will administer a second TBRA program with funds provided by Spartanburg County to assist families that are elderly, disabled or working. SHA will design an administrative plan for this program and maintain a separate waiting list. Working families will be required to pay initial rent based on 30% of annual adjusted income as verified at the time of admission to the program. Interim reexams will only be considered if a hardship exists.

Angela Leopard, Director of Finance

- 4) During the public comment period an adjustment was made to the Financial Resources Section. The change made was the addition of \$1,421,450 of capital funds awarded.



RESOLUTION NO. 2018-30

**ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG**

June 26, 2018

Staff recommends adoption of Resolution No. 2018-30, authorizing the CEO to approve and adopt the PHA plan, Public Housing Lease and Community Rules and HCV Administrative Plan and ACOP, all of which were made available during the public comment period. Upon approval and execution of all appropriate documents, the CEO will submit the plan, as required, to HUD by the July 17, 2018.

Charles White, CHAIR

ATTEST:

SECRETARY

FOR CLERK USE ONLY

RESOLUTION NO. 2018-30

DATE ADOPTED: June 26, 2018



Monthly Reports:

CEO

Terril Bates

Board of Commissioners Meeting

Tuesday, June 26, 2018



June 26, 2018

**Spartanburg Housing Authority
Spartanburg, SC 29302**

HONORABLE MEMBERS IN SESSION:

**SUBJECT:
CEO REPORT FOR THE MONTH OF APRIL and MAY**

CONTACT PERSON:

Terril Bates
CEO
864-598-6010

OVERVIEW:

The following activities occurred during the months of April and May.

- Budget meetings with department heads
- Review of Audit proposals
- Various department meetings (monthly Sr. Staff, Finance, Employee Committee and individual department heads)
- Tour of two potential buildings and COCC
- Facilitated Neighborhood Conference session at SCC- Downtown, April 7th
- Facilitated session at Wofford, Dr. Thurmond's class- April 9
- Interviewed with Wofford student Tim Linsey for Wofford project- April 10
- Conducted Lunch and Learn
- Met with Councilwoman Littlejohn – April 12
- Bill Barnet- April 13 and May 22
- SHA Fun Day- Employee Committee planned a special event for employees
- Reviewed CACFP Application and related preparation with Business Manager-ongoing
- Finance Committee Meeting- April 17 and May 15
- RAD call with HUD- April 17
- Parkside at Drayton- various
- Regenesi meeting- April 18
- SAM Board meeting- April 18 and May 16
- NDG weekly call (financing plan should be submitted by end of June)
- NAHRO Conference- April 21-25 attended with Commissioners White, Fahey and Brown
- Tour of properties constructed or rehabilitated by NHP. Meetings with NHP staff to discuss Camp Croft and other properties- April 24-25
- Meeting with Sinclair Cooper, HUNT Co. (D.C. executive) – April 24 attended with Commissioner White
- Real Estate closing (public housing unit)- April 26 and May 16
- RAB meeting (5 year plan) April 26
- Youthbuild graduation- April 26



- Attended Inter-generational Connections Project- Sponsored by Wofford
- Met with Bloom Upstate- Children's project April 27
- PTO- May 1-11
- TBRA- worked with county to secure additional \$200k for TBRA
- City Council – May 14 and 28
- RAD meeting with Victoria Gardens residents- May 15 and 16
- Multiple conversations with SHA Attorney and Consultant- preparing pre development agreement and master development agreement.
- Highland Neighborhood meeting- May 17
- Cedar Springs RAD meeting- Aiken HA and Consultant
- Pastor Evans- 1st Pres- (telephone meeting) May 21
- United Way Housing Committee- May 22
- Mom's Day Out- Denny's (sponsored by United Way for Born Learning) May 23
- SAM- Steve Ballmer guest – May 23
- Inspector General meeting- City of Spartanburg May 30
- PCA open house- May 31
- Diversity and Inclusion in the Board room- Chamber even May 31
- Task Force meeting- Homelessness May 31

Other activities included supporting staff in the application of funds through the Department of Mental Health. If awarded this grant would provide up to \$25,000 per unit for rehabilitation and may provide funding for ongoing subsidy. Additionally, SHA is preparing applications with the use of a consultant, for Mainstream Vouchers and Family Unification. These applications are due in June. An application is being prepared for potential continuation of the food program by the Business Manager. The Youthbuild Program is in a mode of monitoring and oversight of students for a remaining year. Two staff remain in support of the program. I posted ads in national periodicals as well as Linked In for the COO position. We have received numerous applicants, very few with PHA experience and others whose financial requirements are beyond our budget. I am working with the HUD SAC (Special Applications Center) regarding the disposition of Cammie Clagget apartments and their removal from the system. The HUD Field Office continues to be concerned with training for our Board of Commissioners and has recommended that the board adopt a Code of Ethics, which contains a commitment to participate in training.

Respectfully Submitted, _____
Terril Bates, CEO
Housing Authority of the City of Spartanburg



Monthly Reports:

FINANCE

Angela Leopard

Board of Commissioners Meeting

Tuesday, June 26, 2018

Actual to Budget Variance Comparison
For eight months ending May 2018

*Annual variance for PH is based off of timing of payables and timing of both unanticipated and budgeted property needs. Budget revision will address any BLI concerns.

*PHA's received notice that HAP funds that had been anticipated at 96% proration, would be funded at 100% for CY2018. HCV continues to manage unstable HAP receipts from HUD. Staff continues to monitor the HAP program utilizing the two year tool provided by HUD.

*PHA's received notice that HCV Admin will be funded at a 76% proration for CY2018. HCV Admin was budgeted conservatively, based on a 70% proration. Although, HCV Admin proration was higher, the proration cut to HCV HAP reduces the number of vouchers we are able to administer. This has a negative impact on the HCV Admin revenue. Staff continue to monitor HCV Admin expenses due to tight funding allocations.

*Working with HUD to correct HAP revenue error for April and May. Subsidy due, from HUD, for Norris Ridge in the amount of \$197,118

*Calculated as percentage allocation of HCV Admin budget.

*Revenue exceeded budget due to timing of payment from Vista Management. This was budgeted at \$135,000. Actual received 219,142 which is reflected in May financials.

*Management is continually working with property staff to address property needs with excess funds. It is anticipated that by year end the operating expenses will be in line with the budget.

SPARTANBURG HOUSING AUTHORITY									
AGENCY WIDE INCOME STATEMENT -CORE PROGRAMS									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	140,281.67	133,714.00	6,567.67	4.91	1,151,854.08	1,069,712.00	82,142.08	7.68
311201-000	Utility Reimbursement - Neg Rent	(117.00)	-	(117.00)	N/A	(1,892.00)	-	(1,892.00)	N/A
311900-000	Total Rental Income	140,164.67	133,714.00	6,450.67	4.82	1,149,962.08	1,069,712.00	80,250.08	7.50
312000-000	Other Tenant Income								
312003-000	Damages	3,461.59	1,400.00	2,061.59	147.26	21,042.01	11,200.00	9,842.01	87.88
312004-000	Late Charges	1,405.00	1,408.00	(3.00)	-0.21	9,970.00	11,264.00	(1,294.00)	-11.49
312005-000	Legal Fees - Tenant	845.00	1,038.00	(193.00)	-18.59	6,555.00	8,304.00	(1,749.00)	-21.06
312006-000	NSF Charges	100.00	83.00	17.00	20.48	685.00	664.00	21.00	3.16
312007-000	Tenant Owed Utilities - Excess	15,327.63	7,317.00	8,010.63	109.48	56,314.37	58,536.00	(2,221.63)	-3.80
312009-000	Misc.Tenant Income	1,286.02	1,861.00	(574.98)	-30.90	5,227.80	14,888.00	(9,660.20)	-64.89
312010-000	Maintenance Charges	50.00	-	50.00	N/A	821.60	-	821.60	N/A
312900-000	Total Other Tenant Income	22,475.24	13,107.00	9,368.24	71.48	100,615.78	104,856.00	(4,240.22)	-4.04
319900-000	NET TENANT INCOME	162,639.91	146,821.00	15,818.91	10.77	1,250,577.86	1,174,568.00	76,009.86	6.47
340000-000	GRANT INCOME								
340100-000	HUD PH Subsidy	180,563.00	133,281.00	47,282.00	35.48	1,224,702.00	1,066,248.00	158,454.00	14.86
340111-000	Pet Fee Income	136.00	-	136.00	N/A	1,019.00	-	1,019.00	N/A
341001-000	Section 8 HAP Earned	953,083.00	956,434.00	(3,351.00)	-0.35	7,611,916.00	7,651,472.00	(39,556.00)	-0.52
341002-000	Sec 8 Admin. Fee Inc-HCV	99,024.00	90,971.00	8,053.00	8.85	732,779.00	727,768.00	5,011.00	0.69
341004-000	Section 8 Port-In Admin Fees	520.16	-	520.16	N/A	4,225.85	-	4,225.85	N/A
341006-000	Port In HAP Earned	(4,232.00)	-	(4,232.00)	N/A	-	-	-	N/A
341007-000	FSS Forfeitures-Income	-	-	-	N/A	3,004.00	-	3,004.00	N/A
341010-000	Section 8 Admin Fee -Mod Rehab	2,254.00	13,702.00	(11,448.00)	-83.55	101,304.00	109,616.00	(8,312.00)	-7.58
341011-000	Mod Rehab- HAP EARNED	19,911.00	119,326.00	(99,415.00)	-83.31	744,189.00	954,608.00	(210,419.00)	-22.04
341500-000	Other Govt and Private Grants	50,145.00	49,439.00	706.00	1.43	408,087.00	395,512.00	12,575.00	3.18
349900-000	TOTAL GRANT INCOME	1,301,404.16	1,363,153.00	(61,748.84)	-4.53	10,831,225.85	10,905,224.00	(73,998.15)	-0.68
360000-000	OTHER INCOME								
362000-000	Management Fee Income	68,014.09	67,555.00	459.09	0.68	551,286.22	540,440.00	10,846.22	2.01
362001-000	Bookkeeping fee income	21,547.50	22,378.00	(830.50)	-3.71	175,545.00	179,024.00	(3,479.00)	-1.94
364000-000	Fraud Recovery Income-Admin	846.20	792.00	54.20	6.84	9,270.80	6,336.00	2,934.80	46.32
364001-000	Fraud Recovery - HAP	846.20	792.00	54.20	6.84	9,270.75	6,336.00	2,934.75	46.32
364002-000	TBRA -HAP Earned	3,254.00	-	3,254.00	N/A	23,495.96	-	23,495.96	N/A
365000-000	Miscellaneous Other Income	218,717.98	22,231.00	196,486.98	883.84	305,187.02	270,488.00	34,699.02	12.83
365002-000	Bad Debt Recovery	1,709.47	834.00	875.47	104.97	6,093.51	6,672.00	(578.49)	-8.67
369900-000	TOTAL OTHER INCOME	314,935.44	114,582.00	200,353.44	174.86	1,080,149.26	1,009,296.00	70,853.26	7.02
399900-000	TOTAL INCOME	1,778,979.51	1,624,556.00	154,423.51	9.51	13,161,952.97	13,089,088.00	72,864.97	0.56
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								

SPARTANBURG HOUSING AUTHORITY									
AGENCY WIDE INCOME STATEMENT -CORE PROGRAMS									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
411000-000	Administrative Salaries and Wages	145,922.87	131,754.00	(14,168.87)	-10.75	1,055,019.16	1,072,993.00	17,973.84	1.68
411002-000	Administrative Overtime	577.32	-	(577.32)	N/A	20,059.99	-	(20,059.99)	N/A
411003-000	Administrative: Employer FICA/SUI	12,479.44	11,909.00	(570.44)	-4.79	104,863.10	104,717.00	(146.10)	-0.14
411004-000	Administrative: Employee Benefits	31,879.73	30,112.00	(1,767.73)	-5.87	278,970.53	275,051.00	(3,919.53)	-1.42
411005-000	Administrative: Retirees Medical ER share	3,063.20	3,083.00	19.80	0.64	22,165.44	24,664.00	2,498.56	10.13
411006-000	Administrative: Emp Incentive	2,247.77	-	(2,247.77)	N/A	28,672.25	10,702.00	(17,970.25)	-167.91
411099-000	Total Administrative Salaries	196,170.33	176,858.00	(19,312.33)	-10.92	1,509,750.47	1,488,127.00	(21,623.47)	-1.45
413000-000	Legal Expense								
413001-000	Legal Expense	-	167.00	167.00	100.00	26,720.23	41,336.00	14,615.77	35.36
413002-000	Yardi Resident Screening Checks	201.00	309.00	108.00	34.95	1,206.00	2,527.00	1,321.00	52.28
413003-000	Credit Reports	992.00	483.00	(509.00)	-105.38	4,537.95	5,535.00	997.05	18.01
413100-000	Total Credit and Legal Expense	1,193.00	959.00	(234.00)	-24.40	32,464.18	49,398.00	16,933.82	34.28
413900-000	Other Admin Expenses								
414000-000	Staff Training	2,569.86	2,582.00	12.14	0.47	28,962.97	25,174.00	(3,788.97)	-15.05
415000-000	Travel	4,323.67	1,555.00	(2,768.67)	-178.05	17,150.26	18,371.00	1,220.74	6.64
417000-000	Bookkeeping Fees	20,062.50	20,702.00	639.50	3.09	163,950.00	165,616.00	1,666.00	1.01
417001-000	Bookkeeping Fees-MOD Rehab	1,485.00	1,613.00	128.00	7.94	11,595.00	12,904.00	1,309.00	10.14
417100-000	Auditing Fees	6,000.00	1,873.00	(4,127.00)	-220.34	39,001.00	37,113.00	(1,888.00)	-5.09
417200-000	Port Out Admin Fee	515.65	667.00	151.35	22.69	5,007.90	5,336.00	328.10	6.15
417300-000	Management Fee	57,878.09	58,170.00	291.91	0.50	470,654.22	465,360.00	(5,294.22)	-1.14
417302-000	Asset Management Fee	6,560.00	6,250.00	(310.00)	-4.96	52,480.00	50,000.00	(2,480.00)	-4.96
417303-000	Management Fee- MOD Rehab	2,376.00	2,580.00	204.00	7.91	18,552.00	20,640.00	2,088.00	10.12
418000-000	Office Rent	12,127.17	11,738.00	(389.17)	-3.32	96,285.33	94,815.00	(1,470.33)	-1.55
418900-000	Total Other Admin Expenses	113,897.94	107,730.00	(6,167.94)	-5.73	903,638.68	895,329.00	(8,309.68)	-0.93
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	1,571.84	2,367.00	795.16	33.59	9,395.85	16,224.00	6,828.15	42.09
419003-000	Printing	3,216.79	358.00	(2,858.79)	-798.54	16,958.87	12,647.00	(4,311.87)	-34.09
419004-000	Telephone	8,225.50	4,813.00	(3,412.50)	-70.90	49,376.81	48,086.00	(1,290.81)	-2.68
419005-000	Postage	4,195.11	1,835.00	(2,360.11)	-128.62	13,788.21	15,939.00	2,150.79	13.49
419006-000	Forms and Computer Supplies	145.75	366.00	220.25	60.18	462.35	3,212.00	2,749.65	85.61
419007-000	Court Costs	1,225.00	1,086.00	(139.00)	-12.80	6,875.00	9,643.00	2,768.00	28.70
419008-000	Subscriptions and Fees	655.00	303.00	(352.00)	-116.17	18,557.40	20,873.00	2,315.60	11.09
419009-000	Sundry Miscellaneous	1,370.38	2,481.00	1,110.62	44.76	11,290.27	20,462.00	9,171.73	44.82
419010-000	Newspaper ADS (Advertising)	1,281.93	134.00	(1,147.93)	-856.66	3,862.67	4,683.00	820.33	17.52
419011-000	Sundry Service Contracts	17,816.18	15,860.00	(1,956.18)	-12.33	145,363.15	141,183.00	(4,180.15)	-2.96
419012-000	Software	279.64	-	(279.64)	N/A	1,606.84	890.00	(716.84)	-80.54
419017-000	Temporary Administrative Labor	-	4,658.00	4,658.00	100.00	6,856.02	34,564.00	27,707.98	80.16
419018-000	False Alarms	-	17.00	17.00	100.00	410.00	506.00	96.00	18.97
419020-000	Bank Fees	36.56	83.00	46.44	55.95	2,827.76	3,364.00	536.24	15.94
419021-000	Discretionary	-	42.00	42.00	100.00	-	336.00	336.00	100.00
419022-000	Other Misc Admin Expenses	403.50	674.00	270.50	40.13	3,338.01	5,307.00	1,968.99	37.10
419100-000	Total Miscellaneous Admin Expenses	40,423.18	35,077.00	(5,346.18)	-15.24	290,969.21	337,919.00	46,949.79	13.89
419900-000	TOTAL ADMINISTRATIVE EXPENSES	351,684.45	320,624.00	(31,060.45)	-9.69	2,736,822.54	2,770,773.00	33,950.46	1.23

SPARTANBURG HOUSING AUTHORITY									
AGENCY WIDE INCOME STATEMENT -CORE PROGRAMS									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
420000-000	TENANT SERVICES								
422000-000	Tenant Svcs-Participation Fund \$15	1,107.39	669.00	(438.39)	-65.53	9,090.51	8,501.00	(589.51)	-6.93
422001-000	Tenant Svcs.-Stipend only \$10	-	854.00	854.00	100.00	3,236.65	6,216.00	2,979.35	47.93
423000-000	Tenant Svcs-PH ESDC	746.96	4,844.00	4,097.04	84.58	10,912.79	37,398.00	26,485.21	70.82
423001-000	Tenant Relocation	-	-	-	N/A	770.00	700.00	(70.00)	-10.00
429900-000	TOTAL TENANT SERVICES EXPENSES	1,854.35	6,367.00	4,512.65	70.88	24,009.95	52,815.00	28,805.05	54.54
430000-000	UTILITIES								
431000-000	Water	9,102.74	12,767.00	3,664.26	28.70	100,026.21	110,378.00	10,351.79	9.38
432000-000	Electricity	34,257.43	33,125.00	(1,132.43)	-3.42	246,047.96	266,023.00	19,975.04	7.51
433000-000	Gas	8,598.48	10,088.00	1,489.52	14.77	213,856.44	209,445.00	(4,411.44)	-2.11
439000-000	Sewer	12,740.59	19,384.00	6,643.41	34.27	145,834.52	165,393.00	19,558.48	11.83
439900-000	TOTAL UTILITY EXPENSES	64,699.24	75,364.00	10,664.76	14.15	705,765.13	751,239.00	45,473.87	6.05
440000-000	MAINTENANCE AND OPERATIONS								
440099-000	General Maint Expense								
441000-000	Labor Maintenance	32,472.72	30,962.00	(1,510.72)	-4.88	208,402.65	230,589.00	22,186.35	9.62
441002-000	Maintenance: Overtime	1,252.84	416.00	(836.84)	-201.16	31,706.52	5,828.00	(25,878.52)	-444.04
441003-000	Maintenance: Employer FICA/SUI	3,112.62	2,613.00	(499.62)	-19.12	24,764.35	24,703.00	(61.35)	-0.25
441004-000	Temp Maintenance Labor	1,206.40	573.00	(633.40)	-110.54	28,357.34	29,847.00	1,489.66	4.99
441005-000	Maintenance: Employee Benefits	4,458.04	8,666.00	4,207.96	48.56	33,350.73	56,389.00	23,038.27	40.86
441006-000	On Call- after hours work	212.29	2,048.00	1,835.71	89.63	485.50	15,890.00	15,404.50	96.94
441007-000	Treatment Bedbug Pay	76.94	-	(76.94)	N/A	1,608.03	-	(1,608.03)	N/A
441100-000	Maintenace Uniforms	-	-	-	N/A	3.34	-	(3.34)	N/A
441200-000	Vehicle Repair	3,002.24	2,257.00	(745.24)	-33.02	18,189.62	23,939.00	5,749.38	24.02
441210-000	Equipment Repair	-	250.00	250.00	100.00	-	2,000.00	2,000.00	100.00
441300-000	Gasoline Purchases	2,050.28	1,559.00	(491.28)	-31.51	14,885.39	15,063.00	177.61	1.18
441900-000	Total General Maint Expense	47,844.37	49,344.00	1,499.63	3.04	361,753.47	404,248.00	42,494.53	10.51
442000-000	Materials								
442002-000	Appliance-Maint Materials	305.04	942.00	636.96	67.62	7,634.86	12,086.00	4,451.14	36.83
442003-000	Painting-Maint Materials	811.79	677.00	(134.79)	-19.91	8,946.09	8,802.00	(144.09)	-1.64
442004-000	Electrical-Maint Materials	1,575.67	1,101.00	(474.67)	-43.11	11,889.05	15,103.00	3,213.95	21.28
442005-000	Heating/AC-Maint Materials	1,159.92	2,267.00	1,107.08	48.83	4,074.63	18,845.00	14,770.37	78.38
442006-000	Janitorial Supplies	651.92	459.00	(192.92)	-42.03	3,631.59	4,704.00	1,072.41	22.80
442008-000	Plumbing-Maint Materials	6,108.74	6,833.00	724.26	10.60	22,660.95	63,872.00	41,211.05	64.52
442009-000	Hand Tools-Maint Materials	194.07	309.00	114.93	37.19	1,247.81	3,351.00	2,103.19	62.76
442010-000	Maintenance Materials	8,027.03	3,288.00	(4,739.03)	-144.13	41,364.62	42,250.00	885.38	2.10
442011-000	Work Supplies/Safety/Materials	44.11	242.00	197.89	81.77	1,333.00	2,668.00	1,335.00	50.04
442012-000	Landscaping Materials	942.67	5,909.00	4,966.33	84.05	9,608.94	46,998.00	37,389.06	79.55
442900-000	Total Materials	19,820.96	22,027.00	2,206.04	10.02	112,391.54	218,679.00	106,287.46	48.60
443000-000	Contract Costs								
443001-000	Alarm/Extinguisher Contract	372.55	402.00	29.45	7.33	22,180.56	13,209.00	(8,971.56)	-67.92

SPARTANBURG HOUSING AUTHORITY
AGENCY WIDE INCOME STATEMENT -CORE PROGRAMS

Actual to Budget Variance Comparison

May 31, 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
443002-000	Extermination Contract	1,002.00	4,103.00	3,101.00	75.58	23,111.33	35,639.00	12,527.67	35.15
443005-000	Unit Turnaround-Contract	13,142.48	1,717.00	(11,425.48)	-665.43	78,214.32	48,107.00	(30,107.32)	-62.58
443006-000	Electrical-Contract	45.00	958.00	913.00	95.30	7,789.82	11,022.00	3,232.18	29.32
443007-000	Disposal Contract	3,093.27	2,998.00	(95.27)	-3.18	21,959.88	25,018.00	3,058.12	12.22
443009-000	Landscaping-Contract	9,703.00	8,340.00	(1,363.00)	-16.34	80,618.19	68,860.00	(11,758.19)	-17.08
443010-000	Contract:	-	-	-	N/A	5,183.00	-	(5,183.00)	N/A
443011-000	Heating/AC-Contract	16,633.18	3,792.00	(12,841.18)	-338.64	61,553.59	38,729.00	(22,824.59)	-58.93
443013-000	Contract: Uniform Rental	696.28	465.00	(231.28)	-49.74	3,924.93	3,962.00	37.07	0.94
443015-000	Janitorial-Contract	1,272.84	1,283.00	10.16	0.79	10,097.42	10,334.00	236.58	2.29
443017-000	Elevator-Contract	-	2,451.00	2,451.00	100.00	18,202.29	24,605.00	6,402.71	26.02
443018-000	Plumbing-Contract	38,359.18	4,629.00	(33,730.18)	-728.67	96,442.07	50,995.00	(45,447.07)	-89.12
443019-000	Miscellaneous Contracts	2,125.00	417.00	(1,708.00)	-409.59	11,455.19	5,770.00	(5,685.19)	-98.53
443023-000	Con:Consultant/Mentoring	6,811.91	12,300.00	5,488.09	44.62	105,445.83	116,363.00	10,917.17	9.38
443099-000	Maintenance Misc-Contracts	888.50	9,461.00	8,572.50	90.61	65,793.99	123,057.00	57,263.01	46.53
443900-000	Total Contract Costs	94,145.19	53,316.00	(40,829.19)	-76.58	611,972.41	575,670.00	(36,302.41)	-6.31
449900-000	TOTAL MAINTENACE EXPENSES	161,810.52	124,687.00	(37,123.52)	-29.77	1,086,117.42	1,198,597.00	112,479.58	9.38
450000-000	GENERAL EXPENSES								
451000-000	General Liability Insurance	10,743.76	10,056.00	(687.76)	-6.84	88,684.88	88,012.00	(672.88)	-0.76
451100-000	Property Tax	5,660.50	-	(5,660.50)	N/A	60,838.49	59,385.00	(1,453.49)	-2.45
452100-000	Workers Comp Insurance	5,666.00	7,242.00	1,576.00	21.76	48,985.00	57,936.00	8,951.00	15.45
453010-000	SHA-Board/Commissioner exp	5,255.60	917.00	(4,338.60)	-473.13	12,407.88	8,919.00	(3,488.88)	-39.12
457000-000	Bad Debt-Tenant Rents	-	-	-	N/A	24,898.46	-	(24,898.46)	N/A
458000-000	All Protective Services	1,076.00	-	(1,076.00)	N/A	8,767.00	-	(8,767.00)	N/A
459900-000	TOTAL GENERAL EXPENSES	28,401.86	18,215.00	(10,186.86)	-55.93	244,581.71	214,252.00	(30,329.71)	-14.16
470000-000	HOUSING ASSISTANCE PAYMENTS								
471500-000	Housing Assistance Payments	974,793.00	1,018,906.00	44,113.00	4.33	7,937,859.00	8,151,248.00	213,389.00	2.62
471501-000	Tenant Utility Payments	34,285.00	37,201.00	2,916.00	7.84	283,264.00	297,608.00	14,344.00	4.82
471502-000	Portable Out HAP Payments	10,585.00	15,185.00	4,600.00	30.29	114,188.00	121,480.00	7,292.00	6.00
471503-000	FSS Escrow Payments	4,849.00	4,718.00	(131.00)	-2.78	53,045.00	38,239.00	(14,806.00)	-38.72
479900-000	TOTAL HOUSING ASSISTANCE PAYMENTS	1,024,512.00	1,076,010.00	51,498.00	4.79	8,388,356.00	8,608,575.00	220,219.00	2.56
480000-000	FINANCING EXPENSE								
485100-000	Interest Expense-BBT SL	605.32	-	(605.32)	N/A	2,239.37	-	(2,239.37)	N/A
485500-000	Interest Expense-Mortgage Payable	(337.89)	-	337.89	N/A	(3,969.02)	-	3,969.02	N/A
489900-000	TOTAL FINANCING EXPENSES	267.43	-	(267.43)	N/A	(1,729.65)	-	1,729.65	N/A
TOTAL OPERATING EXPENSES		1,633,229.85	1,621,267.00	(11,962.85)	-0.74%	13,183,923.10	13,596,251.00	412,327.90	3.03%
500000-000	NON-OPERATING ITEMS								
523000-000	Gain/Loss on Sale of Fixed Assets	(122,865.58)	-	122,865.58	N/A	(122,865.58)	-	122,865.58	N/A
523200-000	Gain/Loss from Sale Disposition of Real Property	(700.00)	-	700.00	N/A	(700.00)	-	700.00	N/A
523401-000	Bedbug expense	2,516.89	-	(2,516.89)	N/A	8,180.18	-	(8,180.18)	N/A

[illegible]

SPARTANBURG HOUSING AUTHORITY									
CONVENTIONAL PUBLIC HOUSING									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	96,957.67	98,420.00	(1,462.33)	-1.49	807,466.08	787,360.00	20,106.08	2.55
311201-000	Utility Reimbursement - Neg Rent	(117.00)	-	(117.00)	N/A	(1,892.00)	-	(1,892.00)	N/A
311900-000	Total Rental Income	96,840.67	98,420.00	(1,579.33)	-1.60	805,574.08	787,360.00	18,214.08	2.31
312000-000	Other Tenant Income								
312003-000	Damages	3,461.59	1,350.00	2,111.59	156.41	20,741.46	10,800.00	9,941.46	92.05
312004-000	Late Charges	1,335.00	1,358.00	(23.00)	-1.69	9,570.00	10,864.00	(1,294.00)	-11.91
312005-000	Legal Fees - Tenant	755.00	1,013.00	(258.00)	-25.47	6,105.00	8,104.00	(1,999.00)	-24.67
312006-000	NSF Charges	100.00	58.00	42.00	72.41	475.00	464.00	11.00	2.37
312007-000	Tenant Owed Utilities - Excess	15,322.21	7,067.00	8,255.21	116.81	55,372.42	56,536.00	(1,163.58)	-2.06
312009-000	Misc.Tenant Income	1,269.78	1,861.00	(591.22)	-31.77	5,196.68	14,888.00	(9,691.32)	-65.09
312010-000	Maintenance Charges	-	-	-	N/A	634.10	-	634.10	N/A
312900-000	Total Other Tenant Income	22,243.58	12,707.00	9,536.58	75.05	98,094.66	101,656.00	(3,561.34)	-3.50
319900-000	NET TENANT INCOME	119,084.25	111,127.00	7,957.25	7.16	903,668.74	889,016.00	14,652.74	1.65
340000-000	GRANT INCOME								
340100-000	HUD PH Subsidy	180,563.00	133,281.00	47,282.00	35.48	1,224,702.00	1,066,248.00	158,454.00	14.86
340111-000	Pet Fee Income	136.00	-	136.00	N/A	1,019.00	-	1,019.00	N/A
349900-000	TOTAL GRANT INCOME	180,699.00	133,281.00	47,418.00	35.58	1,225,721.00	1,066,248.00	159,473.00	14.96
360000-000	OTHER INCOME								
365000-000	Miscellaneous Other Income	-	1,168.00	(1,168.00)	-100.00	306.30	9,344.00	(9,037.70)	-96.72
365002-000	Bad Debt Recovery	1,709.47	834.00	875.47	104.97	6,093.51	6,672.00	(578.49)	-8.67
369900-000	TOTAL OTHER INCOME	1,709.47	2,002.00	(292.53)	-14.61	6,399.81	16,016.00	(9,616.19)	-60.04
399900-000	TOTAL INCOME	301,492.72	246,410.00	55,082.72	22.35	2,135,789.55	1,971,280.00	164,509.55	8.35
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	36,065.10	32,895.00	(3,170.10)	-9.64	287,535.13	286,689.00	(846.13)	-0.30
411002-000	Administrative Overtime	343.34	-	(343.34)	N/A	13,502.65	-	(13,502.65)	N/A
411003-000	Administrative: Employer FICA/SUI	2,789.73	3,135.00	345.27	11.01	29,879.31	30,035.00	155.69	0.52
411004-000	Administrative: Employee Benefits	11,346.40	8,088.00	(3,258.40)	-40.29	97,425.07	90,524.00	(6,901.07)	-7.62
411006-000	Administrative: Emp Incentive	-	-	-	N/A	2,007.59	198.00	(1,809.59)	-913.93
411099-000	Total Administrative Salaries	50,544.57	44,118.00	(6,426.57)	-14.57	430,349.75	407,446.00	(22,903.75)	-5.62
413000-000	Legal Expense								
413002-000	Yardi Resident Screening Checks	157.50	-	(157.50)	N/A	456.50	-	(456.50)	N/A
413003-000	Credit Reports	342.00	441.00	99.00	22.45	3,763.00	5,199.00	1,436.00	27.62
413100-000	Total Credit and Legal Expense	499.50	441.00	(58.50)	-13.27	4,219.50	5,199.00	979.50	18.84
413900-000	Other Admin Expenses								
414000-000	Staff Training	-	823.00	823.00	100.00	8,095.50	6,022.00	(2,073.50)	-34.43

SPARTANBURG HOUSING AUTHORITY									
CONVENTIONAL PUBLIC HOUSING									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
415000-000	Travel	169.60	822.00	652.40	79.37	969.28	3,472.00	2,502.72	72.08
417000-000	Bookkeeping Fees	3,517.50	3,513.00	(4.50)	-0.13	28,440.00	28,104.00	(336.00)	-1.20
417100-000	Auditing Fees	3,019.00	945.00	(2,074.00)	-219.47	19,617.00	18,096.00	(1,521.00)	-8.41
417300-000	Management Fee	25,415.11	25,379.00	(36.11)	-0.14	205,488.48	203,032.00	(2,456.48)	-1.21
417302-000	Asset Management Fee	5,070.00	4,930.00	(140.00)	-2.84	40,560.00	39,440.00	(1,120.00)	-2.84
418900-000	Total Other Admin Expenses	37,191.21	36,412.00	(779.21)	-2.14	303,170.26	298,166.00	(5,004.26)	-1.68
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	560.49	912.00	351.51	38.54	2,997.06	4,898.00	1,900.94	38.81
419003-000	Printing	566.08	223.00	(343.08)	-153.85	3,263.22	3,276.00	12.78	0.39
419004-000	Telephone	3,177.24	1,892.00	(1,285.24)	-67.93	18,117.26	17,756.00	(361.26)	-2.03
419005-000	Postage	407.33	218.00	(189.33)	-86.85	585.11	1,744.00	1,158.89	66.45
419006-000	Forms and Computer Supplies	145.75	133.00	(12.75)	-9.59	251.75	1,268.00	1,016.25	80.15
419007-000	Court Costs	1,135.00	898.00	(237.00)	-26.39	6,370.00	8,108.00	1,738.00	21.44
419008-000	Subscriptions and Fees	-	134.00	134.00	100.00	2,365.00	1,375.00	(990.00)	-72.00
419009-000	Sundry Miscellaneous	1,108.92	692.00	(416.92)	-60.25	1,764.84	5,633.00	3,868.16	68.67
419010-000	Newspaper ADS (Advertising)	42.67	50.00	7.33	14.66	77.56	411.00	333.44	81.13
419011-000	Sundry Service Contracts	7,678.60	6,845.00	(833.60)	-12.18	64,930.63	60,684.00	(4,246.63)	-7.00
419018-000	False Alarms	-	12.00	12.00	100.00	380.00	466.00	86.00	18.45
419022-000	Other Misc Admin Expenses	400.00	370.00	(30.00)	-8.11	2,950.00	3,080.00	130.00	4.22
419100-000	Total Miscellaneous Admin Expenses	15,222.08	12,379.00	(2,843.08)	-22.97	104,052.43	108,699.00	4,646.57	4.27
419900-000	TOTAL ADMINISTRATIVE EXPENSES	103,457.36	93,350.00	(10,107.36)	-10.83	841,791.94	819,510.00	(22,281.94)	-2.72
420000-000	TENANT SERVICES								
422000-000	Tenant Svcs-Participation Fund \$15	660.72	504.00	(156.72)	-31.10	5,741.38	5,555.00	(186.38)	-3.36
422001-000	Tenant Svcs.-Stipend only \$10	-	402.00	402.00	100.00	2,478.31	3,730.00	1,251.69	33.56
423000-000	Tenant Svcs-PH ESDC	746.96	4,594.00	3,847.04	83.74	10,555.79	35,398.00	24,842.21	70.18
423001-000	Tenant Relocation	-	-	-	N/A	770.00	700.00	(70.00)	-10.00
429900-000	TOTAL TENANT SERVICES EXPENSES	1,407.68	5,500.00	4,092.32	74.41	19,545.48	45,383.00	25,837.52	56.93
430000-000	UTILITIES								
431000-000	Water	6,919.48	10,500.00	3,580.52	34.10	79,320.26	91,092.00	11,771.74	12.92
432000-000	Electricity	27,069.14	25,458.00	(1,611.14)	-6.33	199,142.19	204,687.00	5,544.81	2.71
433000-000	Gas	7,838.60	7,425.00	(413.60)	-5.57	160,954.61	151,813.00	(9,141.61)	-6.02
439000-000	Sewer	9,992.45	16,467.00	6,474.55	39.32	122,680.52	140,657.00	17,976.48	12.78
439900-000	TOTAL UTILITY EXPENSES	51,819.67	59,850.00	8,030.33	13.42	562,097.58	588,249.00	26,151.42	4.45
440000-000	MAINTENANCE AND OPERATIONS								
440099-000	General Maint Expense								

SPARTANBURG HOUSING AUTHORITY									
CONVENTIONAL PUBLIC HOUSING									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
441000-000	Labor Maintenance	24,548.93	25,342.00	793.07	3.13	164,773.17	190,432.00	25,658.83	13.47
441002-000	Maintenance: Overtime	1,216.58	416.00	(800.58)	-192.45	30,063.70	5,828.00	(24,235.70)	-415.85
441003-000	Maintenance: Employer FICA/SUI	2,324.30	2,585.00	260.70	10.09	19,743.84	21,234.00	1,490.16	7.02
441004-000	Temp Maintenance Labor	1,206.40	573.00	(633.40)	-110.54	28,357.34	29,847.00	1,489.66	4.99
441005-000	Maintenance: Employee Benefits	3,406.36	7,413.00	4,006.64	54.05	24,625.48	46,342.00	21,716.52	46.86
441006-000	On Call- after hours work	92.60	1,536.00	1,443.40	93.97	265.95	11,794.00	11,528.05	97.74
441007-000	Treatment Bedbug Pay	(66.00)	-	66.00	N/A	1,014.84	-	(1,014.84)	N/A
441100-000	Maintenace Uniforms	-	-	-	N/A	0.96	-	(0.96)	N/A
441200-000	Vehicle Repair	1,082.28	285.00	(797.28)	-279.75	9,006.14	8,587.00	(419.14)	-4.88
441300-000	Gasoline Purchases	642.38	505.00	(137.38)	-27.20	5,695.07	5,978.00	282.93	4.73
441900-000	Total General Maint Expense	34,453.83	38,655.00	4,201.17	10.87	283,546.49	320,042.00	36,495.51	11.40
442000-000	Materials								
442002-000	Appliance-Maint Materials	305.04	525.00	219.96	41.90	5,578.19	7,580.00	2,001.81	26.41
442003-000	Painting-Maint Materials	811.79	485.00	(326.79)	-67.38	8,946.09	7,266.00	(1,680.09)	-23.12
442004-000	Electrical-Maint Materials	1,497.10	684.00	(813.10)	-118.87	11,078.28	11,767.00	688.72	5.85
442005-000	Heating/AC-Maint Materials	1,147.18	1,267.00	119.82	9.46	3,727.60	10,845.00	7,117.40	65.63
442006-000	Janitorial Supplies	625.40	292.00	(333.40)	-114.18	3,110.69	3,368.00	257.31	7.64
442008-000	Plumbing-Maint Materials	4,710.68	791.00	(3,919.68)	-495.53	16,472.79	15,536.00	(936.79)	-6.03
442009-000	Hand Tools-Maint Materials	187.33	242.00	54.67	22.59	1,221.10	2,815.00	1,593.90	56.62
442010-000	Maintenance Materials	4,354.47	1,592.00	(2,762.47)	-173.52	27,972.41	26,807.00	(1,165.41)	-4.35
442011-000	Work Supplies/Safety/Materials	54.23	121.00	66.77	55.18	1,327.14	1,700.00	372.86	21.93
442012-000	Landscaping Materials	712.45	4,848.00	4,135.55	85.30	9,189.65	38,510.00	29,320.35	76.14
442900-000	Total Materials	14,405.67	10,847.00	(3,558.67)	-32.81	88,623.94	126,194.00	37,570.06	29.77
443000-000	Contract Costs								
443001-000	Alarm/Extinguisher Contract	317.55	190.00	(127.55)	-67.13	18,675.22	10,564.00	(8,111.22)	-76.78
443002-000	Extermination Contract	1,002.00	3,027.00	2,025.00	66.90	16,225.33	27,770.00	11,544.67	41.57
443005-000	Unit Turnaround-Contract	6,003.71	1,550.00	(4,453.71)	-287.34	42,688.99	37,191.00	(5,497.99)	-14.78
443006-000	Electrical-Contract	45.00	541.00	496.00	91.68	3,539.82	7,686.00	4,146.18	53.94
443007-000	Disposal Contract	2,148.00	2,140.00	(8.00)	-0.37	16,085.12	18,170.00	2,084.88	11.47
443009-000	Landscaping-Contract	5,242.00	4,934.00	(308.00)	-6.24	50,444.27	41,612.00	(8,832.27)	-21.23
443011-000	Heating/AC-Contract	16,236.31	1,209.00	(15,027.31)	-1,242.95	30,256.72	18,065.00	(12,191.72)	-67.49
443013-000	Contract: Uniform Rental	492.11	323.00	(169.11)	-52.36	2,634.78	2,784.00	149.22	5.36
443015-000	Janitorial-Contract	72.84	-	(72.84)	N/A	435.34	-	(435.34)	N/A
443017-000	Elevator-Contract	-	2,451.00	2,451.00	100.00	18,202.29	24,605.00	6,402.71	26.02
443018-000	Plumbing-Contract	3,784.50	2,641.00	(1,143.50)	-43.30	30,131.42	32,691.00	2,559.58	7.83
443019-000	Miscellaneous Contracts	2,125.00	-	(2,125.00)	N/A	7,212.60	2,704.00	(4,508.60)	-166.74
443023-000	Con:Consultant/Mentoring	-	-	-	N/A	195.03	195.00	(0.03)	-0.02
443099-000	Maintenance Misc-Contracts	825.84	458.00	(367.84)	-80.31	50,149.76	45,595.00	(4,554.76)	-9.99
443900-000	Total Contract Costs	38,294.86	19,464.00	(18,830.86)	-96.75	286,876.69	269,632.00	(17,244.69)	-6.40
449900-000	TOTAL MAINTENACE EXPENSES	87,154.36	68,966.00	(18,188.36)	-26.37	659,047.12	715,868.00	56,820.88	7.94

SPARTANBURG HOUSING AUTHORITY	
CONVENTIONAL PUBLIC HOUSING	

Actual to Budget Variance Comparison					
	Budget	Actual	Variance	Favorable / Unfavorable	% Variance
Total	\$10,000,000	\$9,875,000	\$125,000	Favorable	1.25%
Revenue	\$5,000,000	\$5,000,000	\$0	-	0%
Cost of Sales	(2,500,000)	(2,500,000)	\$0	-	0%
Gross Profit	\$2,500,000	\$2,500,000	\$0	-	0%
Selling Expenses	(1,000,000)	(1,000,000)	\$0	-	0%
Administrative Expenses	(1,000,000)	(1,000,000)	\$0	-	0%
Interest Expense	(500,000)	(500,000)	\$0	-	0%
Taxes	(500,000)	(500,000)	\$0	-	0%
Net Income	\$500,000	\$500,000	\$0	-	0%

May 31, 2018

[illegible]

SPARTANBURG HOUSING AUTHORITY
Cambridge/Brawley Street
 Actual to Budget Variance Comparison
 For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
299999-999	Revenue & Expenses								
300000-000	INCOME								
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	1,405.00	2,407.00	-1,002.00	-41.63	15,425.00	19,256.00	-3,831.00	-19.90
311201-000	Utility Reimbursement - Neg Rent	-117.00	0.00	-117.00	N/A	-1,892.00	0.00	-1,892.00	N/A
311900-000	Total Rental Income	1,288.00	2,407.00	-1,119.00	-46.49	13,533.00	19,256.00	-5,723.00	-29.72
312000-000	Other Tenant Income								
312004-000	Late Charges	30.00	0.00	30.00	N/A	75.00	0.00	75.00	N/A
312005-000	Legal Fees - Tenant	0.00	0.00	0.00	N/A	45.00	0.00	45.00	N/A
312007-000	Tenant Owed Utilities - Excess	0.00	0.00	0.00	N/A	283.89	0.00	283.89	N/A
312900-000	Total Other Tenant Income	30.00	0.00	30.00	N/A	403.89	0.00	403.89	N/A
319900-000	NET TENANT INCOME	1,318.00	2,407.00	-1,089.00	-45.24	13,936.89	19,256.00	-5,319.11	-27.62
340000-000	GRANT INCOME								
340100-000	HUD PH Subsidy	143.00	1,211.00	-1,068.00	-88.19	6,214.00	9,688.00	-3,474.00	-35.86
349900-000	TOTAL GRANT INCOME	143.00	1,211.00	-1,068.00	-88.19	6,214.00	9,688.00	-3,474.00	-35.86
399900-000	TOTAL INCOME	1,461.00	3,618.00	-2,157.00	-59.62	20,150.89	28,944.00	-8,793.11	-30.38
400000-000	EXPENSES								
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	274.56	217.00	-57.56	-26.53	1,763.45	1,736.00	-27.45	-1.58
411002-000	Administrative Overtime	1.20	0.00	-1.20	N/A	62.77	0.00	-62.77	N/A
411003-000	Administrative: Employer FICA/SUI	11.18	20.00	8.82	44.10	132.40	160.00	27.60	17.25
411004-000	Administrative: Employee Benefits	156.77	160.00	3.23	2.02	1,359.43	1,369.00	9.57	0.70
411099-000	Total Administrative Salaries	443.71	397.00	-46.71	-11.77	3,318.05	3,265.00	-53.05	-1.62
413000-000	Legal Expense								
413003-000	Credit Reports	0.00	5.00	5.00	100.00	0.00	40.00	40.00	100.00
413100-000	Total Credit and Legal Expense	0.00	5.00	5.00	100.00	0.00	40.00	40.00	100.00
413900-000	Other Admin Expenses								
414000-000	Staff Training	0.00	42.00	42.00	100.00	120.91	336.00	215.09	64.01
415000-000	Travel	0.00	17.00	17.00	100.00	0.00	136.00	136.00	100.00
417000-000	Bookkeeping Fees	45.00	43.00	-2.00	-4.65	360.00	344.00	-16.00	-4.65
417100-000	Auditing Fees	33.00	22.00	-11.00	-50.00	215.00	204.00	-11.00	-5.39
417300-000	Management Fee	325.14	309.00	-16.14	-5.22	2,601.12	2,472.00	-129.12	-5.22
417302-000	Asset Management Fee	60.00	60.00	0.00	0.00	480.00	480.00	0.00	0.00
418900-000	Total Other Admin Expenses	463.14	493.00	29.86	6.06	3,777.03	3,972.00	194.97	4.91
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	0.00	13.00	13.00	100.00	0.00	104.00	104.00	100.00
419003-000	Printing	9.70	0.00	-9.70	N/A	55.92	38.00	-17.92	-47.16
419004-000	Telephone	0.00	42.00	42.00	100.00	0.00	336.00	336.00	100.00
419006-000	Forms and Computer Supplies	0.00	4.00	4.00	100.00	0.00	32.00	32.00	100.00
419007-000	Court Costs	45.00	0.00	-45.00	N/A	90.00	96.00	6.00	6.25
419008-000	Subscriptions and Fees	0.00	0.00	0.00	N/A	15.00	0.00	-15.00	N/A
419009-000	Sundry Miscellaneous	0.00	0.00	0.00	N/A	-5.16	96.00	101.16	105.38
419010-000	Newspaper ADS (Advertising)	0.00	8.00	8.00	100.00	0.00	64.00	64.00	100.00
419011-000	Sundry Service Contracts	84.61	92.00	7.39	8.03	681.01	706.00	24.99	3.54
419100-000	Total Miscellaneous Admin Expenses	583.02	556.00	-27.02	-4.86	4,154.82	4,737.00	582.18	12.29
419900-000	TOTAL ADMINISTRATIVE EXPENSES	1,046.16	1,054.00	7.84	0.74	7,931.85	8,749.00	817.15	9.34
420000-000	TENANT SERVICES								
422000-000	Tenant Svcs-Participation Fund \$15	0.00	8.00	8.00	100.00	0.00	64.00	64.00	100.00
422001-000	Tenant Svcs.-Stipend only \$10	0.00	5.00	5.00	100.00	0.00	40.00	40.00	100.00
429900-000	TOTAL TENANT SERVICES EXPENSES	0.00	13.00	13.00	100.00	0.00	104.00	104.00	100.00
440000-000	MAINTENANCE AND OPERATIONS								

SPARTANBURG HOUSING AUTHORITY
Cambridge/Brawley Street
 Actual to Budget Variance Comparison
 For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
440099-000	General Maint Expense								
441000-000	Labor Maintenance	377.30	597.00	219.70	36.80	2,227.91	3,605.00	1,377.09	38.20
441002-000	Maintenance: Overtime	1.10	0.00	-1.10	N/A	71.67	0.00	-71.67	N/A
441003-000	Maintenance: Employer FICA/SUI	40.95	59.00	18.05	30.59	272.84	472.00	199.16	42.19
441005-000	Maintenance: Employee Benefits	0.00	175.00	175.00	100.00	0.00	1,050.00	1,050.00	100.00
441006-000	On Call- after hours work	0.00	256.00	256.00	100.00	0.00	1,604.00	1,604.00	100.00
441007-000	Treatment Bedbug Pay	-4.62	0.00	4.62	N/A	-4.62	0.00	4.62	N/A
441100-000	Maintenance Uniforms	0.00	0.00	0.00	N/A	0.96	0.00	-0.96	N/A
441200-000	Vehicle Repair	10.46	0.00	-10.46	N/A	286.45	446.00	159.55	35.77
441300-000	Gasoline Purchases	16.23	8.00	-8.23	-102.88	98.03	92.00	-6.03	-6.55
441900-000	Total General Maint Expense	441.42	1,095.00	653.58	59.69	2,953.24	7,269.00	4,315.76	59.37
442000-000	Materials								
442005-000	Heating/AC-Maint Materials	0.00	0.00	0.00	N/A	156.00	0.00	-156.00	N/A
442010-000	Maintenance Materials	0.00	0.00	0.00	N/A	200.01	0.00	-200.01	N/A
442011-000	Work Supplies/Safety/Materials	0.00	0.00	0.00	N/A	10.47	0.00	-10.47	N/A
442012-000	Landscaping Materials	0.00	47.00	47.00	100.00	0.00	376.00	376.00	100.00
442900-000	Total Materials	0.00	47.00	47.00	100.00	366.48	376.00	9.52	2.53
443000-000	Contract Costs								
443002-000	Extermination Contract	0.00	57.00	57.00	100.00	63.00	176.00	113.00	64.20
443009-000	Landscaping-Contract	60.00	60.00	0.00	0.00	825.00	480.00	-345.00	-71.88
443011-000	Heating/AC-Contract	0.00	0.00	0.00	N/A	175.00	0.00	-175.00	N/A
443013-000	Contract: Uniform Rental	1.49	2.00	0.51	25.50	11.51	16.00	4.49	28.06
443900-000	Total Contract Costs	61.49	119.00	57.51	48.33	1,074.51	672.00	-402.51	-59.90
449900-000	TOTAL MAINTENANCE EXPENSES	502.91	1,261.00	758.09	60.12	4,394.23	8,317.00	3,922.77	47.17
450000-000	GENERAL EXPENSES								
451000-000	General Liability Insurance	38.00	38.00	0.00	0.00	304.00	304.00	0.00	0.00
451100-000	Property Tax	0.00	0.00	0.00	N/A	792.00	792.00	0.00	0.00
452100-000	Workers Comp Insurance	27.00	34.00	7.00	20.59	237.00	272.00	35.00	12.87
459900-000	TOTAL GENERAL EXPENSES	65.00	72.00	7.00	9.72	1,333.00	1,368.00	35.00	2.56
500000-000	NON-OPERATING ITEMS								
523401-000	Bedbug expense	0.00	0.00	0.00	N/A	4.83	0.00	-4.83	N/A
599900-000	TOTAL NON-OPERATING ITEMS	0.00	0.00	0.00	N/A	4.83	0.00	-4.83	N/A
800000-000	TOTAL EXPENSES	1,614.07	2,400.00	785.93	32.75	13,663.91	18,538.00	4,874.09	26.29
900000-000	NET INCOME	-153.07	1,218.00	-1,371.07	-112.57	6,486.98	10,406.00	-3,919.02	-37.66

SPARTANBURG HOUSING AUTHORITY
Victoria Gardens

Actual to Budget Variance Comparison
For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
299999-999	Revenue & Expenses								
300000-000	INCOME								
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	11,160.80	14,820.00	-3,659.20	-24.69	98,148.56	118,560.00	-20,411.44	-17.22
311900-000	Total Rental Income	11,160.80	14,820.00	-3,659.20	-24.69	98,148.56	118,560.00	-20,411.44	-17.22
312000-000	Other Tenant Income								
312003-000	Damages	12.50	375.00	-362.50	-96.67	533.97	3,000.00	-2,466.03	-82.20
312004-000	Late Charges	375.00	458.00	-83.00	-18.12	2,760.00	3,664.00	-904.00	-24.67
312005-000	Legal Fees - Tenant	225.00	250.00	-25.00	-10.00	1,280.00	2,000.00	-720.00	-36.00
312006-000	NSF Charges	0.00	0.00	0.00	N/A	50.00	0.00	50.00	N/A
312007-000	Tenant Owed Utilities - Excess	4,825.25	2,667.00	2,158.25	80.92	24,084.32	21,336.00	2,748.32	12.88
312009-000	Misc. Tenant Income	235.45	50.00	185.45	370.90	933.30	400.00	533.30	133.32
312900-000	Total Other Tenant Income	5,673.20	3,800.00	1,873.20	49.29	29,641.59	30,400.00	-758.41	-2.49
319900-000	NET TENANT INCOME	16,834.00	18,620.00	-1,786.00	-9.59	127,790.15	148,960.00	-21,169.85	-14.21
340000-000	GRANT INCOME								
340100-000	HUD PH Subsidy	39,105.00	28,223.00	10,882.00	38.56	259,869.00	225,784.00	34,085.00	15.10
340111-000	Pet Fee Income	10.00	0.00	10.00	N/A	80.00	0.00	80.00	N/A
349900-000	TOTAL GRANT INCOME	39,105.00	28,223.00	10,882.00	38.56	259,869.00	225,784.00	34,085.00	15.10
360000-000	OTHER INCOME								
365000-000	Miscellaneous Other Income	0.00	70.00	-70.00	-100.00	0.00	560.00	-560.00	-100.00
365002-000	Bad Debt Recovery	1,156.23	417.00	739.23	177.27	1,172.23	3,336.00	-2,163.77	-64.86
369900-000	TOTAL OTHER INCOME	1,166.23	487.00	679.23	139.47	1,252.23	3,896.00	-2,643.77	-67.86
399900-000	TOTAL INCOME	57,105.23	47,330.00	9,775.23	20.65	388,911.38	378,640.00	10,271.38	2.71
400000-000	EXPENSES								
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	8,862.96	7,200.00	-1,662.96	-23.10	61,091.82	58,493.00	-2,598.82	-4.44
411002-000	Administrative Overtime	62.78	0.00	-62.78	N/A	2,669.87	0.00	-2,669.87	N/A
411003-000	Administrative: Employer FICA/SUI	651.11	664.00	-12.89	1.94	5,998.82	5,923.00	-75.82	-1.28
411004-000	Administrative: Employee Benefits	2,231.84	2,312.00	-80.16	3.47	21,606.60	21,699.00	-92.40	0.43
411006-000	Administrative: Emp Incentive	0.00	0.00	0.00	N/A	105.32	0.00	-105.32	N/A
411099-000	Total Administrative Salaries	11,808.69	10,176.00	-1,632.69	-16.04	91,472.43	86,115.00	-5,357.43	-6.22
413000-000	Legal Expense								
413002-000	Yardi Resident Screening Checks	0.00	0.00	0.00	N/A	14.00	0.00	-14.00	N/A
413003-000	Credit Reports	0.00	131.00	131.00	100.00	14.50	1,048.00	1,033.50	98.62
413100-000	Total Credit and Legal Expense	0.00	131.00	131.00	100.00	28.50	1,048.00	1,019.50	97.28
413900-000	Other Admin Expenses								
414000-000	Staff Training	0.00	125.00	125.00	100.00	801.23	1,000.00	198.77	19.88
415000-000	Travel	0.00	108.00	108.00	100.00	0.00	864.00	864.00	100.00
417000-000	Bookkeeping Fees	585.00	570.00	-15.00	-2.63	4,597.50	4,560.00	-37.50	-0.82
417100-000	Auditing Fees	437.00	298.00	-139.00	-46.64	2,839.00	2,700.00	-139.00	-5.15
417300-000	Management Fee	4,226.82	4,118.00	-108.82	-2.64	33,218.47	32,944.00	-274.47	-0.83
417302-000	Asset Management Fee	800.00	800.00	0.00	0.00	6,400.00	6,400.00	0.00	0.00
418900-000	Total Other Admin Expenses	6,048.82	6,019.00	-29.82	-0.50	47,856.20	48,468.00	611.80	1.26
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	182.44	125.00	-57.44	-45.95	708.59	1,000.00	291.41	29.14
419003-000	Printing	129.30	67.00	-62.30	-92.99	745.43	757.00	11.57	1.53
419004-000	Telephone	461.59	338.00	-123.59	-36.57	3,141.67	3,303.00	161.33	4.88
419005-000	Postage	1.88	42.00	40.12	95.52	1.88	336.00	334.12	99.44
419006-000	Forms and Computer Supplies	0.00	46.00	46.00	100.00	0.00	368.00	368.00	100.00
419007-000	Court Costs	480.00	300.00	-180.00	-60.00	1,795.00	2,775.00	980.00	35.32
419008-000	Subscriptions and Fees	0.00	25.00	25.00	100.00	264.00	200.00	-64.00	-32.00
419009-000	Sundry Miscellaneous	105.00	167.00	62.00	37.13	94.62	1,336.00	1,241.38	92.92

SPARTANBURG HOUSING AUTHORITY
Victoria Gardens

Actual to Budget Variance Comparison

For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
419010-000	Newspaper ADS (Advertising)	0.00	8.00	8.00	100.00	0.00	64.00	64.00	100.00
419011-000	Sundry Service Contracts	1,128.09	1,667.00	538.91	32.33	9,281.69	13,336.00	4,054.31	30.40
419018-000	False Alarms	0.00	4.00	4.00	100.00	360.00	392.00	32.00	8.16
419022-000	Other Misc Admin Expenses	200.00	170.00	-30.00	-17.65	1,200.00	1,480.00	280.00	18.92
419100-000	Total Miscellaneous Admin Expenses	14,496.99	13,135.00	-1,361.99	-10.37	109,065.31	111,462.00	2,396.69	2.15
419900-000	TOTAL ADMINISTRATIVE EXPENSES	20,545.81	19,285.00	-1,260.81	-6.54	156,950.01	160,978.00	4,027.99	2.50
420000-000	TENANT SERVICES								
422000-000	Tenant Svcs-Participation Fund \$15	115.21	0.00	-115.21	N/A	889.82	1,200.00	310.18	25.85
422001-000	Tenant Svcs.-Stipend only \$10	0.00	67.00	67.00	100.00	1,253.31	1,050.00	-203.31	-19.36
423000-000	Tenant Svcs-PH ESDC	0.00	275.00	275.00	100.00	485.65	2,200.00	1,714.35	77.92
429900-000	TOTAL TENANT SERVICES EXPENSES	115.21	342.00	226.79	66.31	2,628.78	4,450.00	1,821.22	40.93
430000-000	UTILITIES								
431000-000	Water	1,748.00	2,600.00	852.00	32.77	14,703.54	20,800.00	6,096.46	29.31
432000-000	Electricity	6,790.92	3,100.00	-3,690.92	-119.06	24,964.02	25,800.00	835.98	3.24
433000-000	Gas	2,706.17	2,700.00	-6.17	-0.23	44,631.91	42,695.00	-1,936.91	-4.54
439000-000	Sewer	2,771.01	4,167.00	1,395.99	33.50	23,311.78	33,336.00	10,024.22	30.07
439900-000	TOTAL UTILITY EXPENSES	14,016.10	12,567.00	-1,449.10	-11.53	107,611.25	122,631.00	15,019.75	12.25
440000-000	MAINTENANCE AND OPERATIONS								
440099-000	General Maint Expense								
441000-000	Labor Maintenance	1,618.38	5,100.00	3,481.62	68.27	23,995.61	40,296.00	16,300.39	40.45
441002-000	Maintenance: Overtime	112.44	0.00	-112.44	N/A	2,886.16	0.00	-2,886.16	N/A
441003-000	Maintenance: Employer FICA/SUI	123.60	509.00	385.40	75.72	1,889.90	4,072.00	2,182.10	53.59
441004-000	Temp Maintenance Labor	1,206.40	0.00	-1,206.40	N/A	1,710.40	504.00	-1,206.40	-239.37
441005-000	Maintenance: Employee Benefits	349.60	1,467.00	1,117.40	76.17	2,769.35	9,036.00	6,266.65	69.35
441006-000	On Call- after hours work	0.00	256.00	256.00	100.00	0.00	1,998.00	1,998.00	100.00
441007-000	Treatment Bedbug Pay	-61.38	0.00	61.38	N/A	54.65	0.00	-54.65	N/A
441200-000	Vehicle Repair	139.53	0.00	-139.53	N/A	4,082.86	4,013.00	-69.86	-1.74
441300-000	Gasoline Purchases	132.33	180.00	47.67	26.48	1,227.33	1,550.00	322.67	20.82
441900-000	Total General Maint Expense	3,620.90	7,512.00	3,891.10	51.80	38,616.26	61,469.00	22,852.74	37.18
442000-000	Materials								
442002-000	Appliance-Maint Materials	44.00	125.00	81.00	64.80	771.21	980.00	208.79	21.31
442003-000	Painting-Maint Materials	593.52	208.00	-385.52	-185.35	3,628.44	2,234.00	-1,394.44	-62.42
442004-000	Electrical-Maint Materials	104.16	292.00	187.84	64.33	2,028.92	3,102.00	1,073.08	34.59
442005-000	Heating/AC-Maint Materials	207.97	167.00	-40.97	-24.53	978.20	1,129.00	150.80	13.36
442006-000	Janitorial Supplies	110.12	0.00	-110.12	N/A	1,172.33	873.00	-299.33	-34.29
442008-000	Plumbing-Maint Materials	1,141.18	0.00	-1,141.18	N/A	5,292.89	4,156.00	-1,136.89	-27.36
442009-000	Hand Tools-Maint Materials	1.88	0.00	-1.88	N/A	878.27	879.00	0.73	0.08
442010-000	Maintenance Materials	798.91	0.00	-798.91	N/A	5,437.29	4,903.00	-534.29	-10.90
442011-000	Work Supplies/Safety/Materials	20.27	38.00	17.73	46.66	227.43	304.00	76.57	25.19
442012-000	Landscaping Materials	185.11	1,659.00	1,473.89	88.84	1,538.23	12,448.00	10,909.77	87.64
442900-000	Total Materials	3,207.12	2,489.00	-718.12	-28.85	21,953.21	31,008.00	9,054.79	29.20
443000-000	Contract Costs								
443001-000	Alarm/Extinguisher Contract	145.80	0.00	-145.80	N/A	3,653.82	3,197.00	-456.82	-14.29
443002-000	Extermination Contract	0.00	750.00	750.00	100.00	1,512.96	6,000.00	4,487.04	74.78
443005-000	Unit Turnaround-Contract	2,370.00	1,000.00	-1,370.00	-137.00	4,325.00	8,350.00	4,025.00	48.20
443006-000	Electrical-Contract	0.00	0.00	0.00	N/A	460.59	996.00	535.41	53.76
443007-000	Disposal Contract	515.14	500.00	-15.14	-3.03	3,605.98	4,000.00	394.02	9.85
443009-000	Landscaping-Contract	797.00	797.00	0.00	0.00	8,545.75	7,376.00	-1,169.75	-15.86
443011-000	Heating/AC-Contract	0.00	0.00	0.00	N/A	3,070.00	2,995.00	-75.00	-2.50
443013-000	Contract: Uniform Rental	19.67	71.00	51.33	72.30	602.57	725.00	122.43	16.89
443015-000	Janitorial-Contract	72.84	0.00	-72.84	N/A	435.34	0.00	-435.34	N/A
443018-000	Plumbing-Contract	2,101.45	670.00	-1,431.45	-213.65	6,913.10	7,320.00	406.90	5.56
443099-000	Maintenance Misc-Contracts	173.27	0.00	-173.27	N/A	13,621.72	11,020.00	-2,601.72	-23.61
443900-000	Total Contract Costs	6,195.17	3,788.00	-2,407.17	-63.55	46,746.83	51,979.00	5,232.17	10.07
449900-000	TOTAL MAINTENANCE EXPENSES	13,023.19	13,789.00	765.81	5.55	107,316.30	144,456.00	37,139.70	25.71
450000-000	GENERAL EXPENSES								
451000-000	General Liability Insurance	571.00	641.00	70.00	10.92	4,568.00	5,128.00	560.00	10.92

SPARTANBURG HOUSING AUTHORITY
Victoria Gardens

Actual to Budget Variance Comparison

For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
451100-000	Property Tax	0.00	0.00	0.00	N/A	2,856.00	2,856.00	0.00	0.00
452100-000	Workers Comp Insurance	410.00	561.00	151.00	26.92	3,571.00	4,488.00	917.00	20.43
457000-000	Bad Debt-Tenant Rents	0.00	0.00	0.00	N/A	5,886.71	0.00	-5,886.71	N/A
459900-000	TOTAL GENERAL EXPENSES	981.00	1,202.00	221.00	18.39	16,881.71	12,472.00	-4,409.71	-35.36
470000-000	HOUSING ASSISTANCE PAYMENTS								
471503-000	FSS Escrow Payments	215.00	0.00	-215.00	N/A	1,720.00	0.00	-1,720.00	N/A
479900-000	TOTAL HOUSING ASSISTANCE PAYMENTS	215.00	0.00	-215.00	N/A	1,720.00	0.00	-1,720.00	N/A
500000-000	NON-OPERATING ITEMS								
523401-000	Bedbug expense	160.18	0.00	-160.18	N/A	1,609.28	0.00	-1,609.28	N/A
523406-000	Mold Assessment and Abatement	0.00	0.00	0.00	N/A	1,400.00	0.00	-1,400.00	N/A
599900-000	TOTAL NON-OPERATING ITEMS	160.18	0.00	-160.18	N/A	3,009.28	0.00	-3,009.28	N/A
800000-000	TOTAL EXPENSES	49,056.49	47,185.00	-1,871.49	-3.97	396,117.33	444,987.00	48,869.67	10.98
900000-000	NET INCOME	8,048.74	145.00	7,903.74	5,450.86	-7,205.95	-66,347.00	59,141.05	89.14
990002-000	Equity Transfers Out (IN)	0.00	-3,548.00	-3,548.00	-100.00	235.00	-28,384.00	-28,619.00	-100.83

SPARTANBURG HOUSING AUTHORITY
Prince Hall

Actual to Budget Variance Comparison
For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
299999-999	Revenue & Expenses								
300000-000	INCOME								
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	11,213.42	9,506.00	1,707.42	17.96	92,556.59	76,048.00	16,508.59	21.71
311900-000	Total Rental Income	11,213.42	9,506.00	1,707.42	17.96	92,556.59	76,048.00	16,508.59	21.71
312000-000	Other Tenant Income								
312003-000	Damages	2,045.93	650.00	1,395.93	214.76	9,300.14	5,200.00	4,100.14	78.85
312004-000	Late Charges	405.00	500.00	-95.00	-19.00	2,985.00	4,000.00	-1,015.00	-25.38
312005-000	Legal Fees - Tenant	420.00	400.00	20.00	5.00	2,595.00	3,200.00	-605.00	-18.91
312006-000	NSF Charges	25.00	0.00	25.00	N/A	25.00	0.00	25.00	N/A
312007-000	Tenant Owed Utilities - Excess	4,820.54	1,200.00	3,620.54	301.71	10,930.29	9,600.00	1,330.29	13.86
312009-000	Misc. Tenant Income	0.00	0.00	0.00	N/A	385.51	0.00	385.51	N/A
312010-000	Maintenance Charges	0.00	0.00	0.00	N/A	634.10	0.00	634.10	N/A
312900-000	Total Other Tenant Income	7,716.47	2,750.00	4,966.47	180.60	26,855.04	22,000.00	4,855.04	22.07
319900-000	NET TENANT INCOME	18,929.89	12,256.00	6,673.89	54.45	119,411.63	98,048.00	21,363.63	21.79
340000-000	GRANT INCOME								
340100-000	HUD PH Subsidy	46,310.00	33,789.00	12,521.00	37.06	314,460.00	270,312.00	44,148.00	16.33
340111-000	Pet Fee Income	10.00	0.00	10.00	N/A	80.00	0.00	80.00	N/A
349900-000	TOTAL GRANT INCOME	46,310.00	33,789.00	12,521.00	37.06	314,460.00	270,312.00	44,148.00	16.33
360000-000	OTHER INCOME								
365000-000	Miscellaneous Other Income	0.00	47.00	-47.00	-100.00	56.00	376.00	-320.00	-85.11
365002-000	Bad Debt Recovery	200.00	417.00	-217.00	-52.04	4,085.69	3,336.00	749.69	22.47
369900-000	TOTAL OTHER INCOME	210.00	464.00	-254.00	-54.74	4,221.69	3,712.00	509.69	13.73
399900-000	TOTAL INCOME	65,449.89	46,509.00	18,940.89	40.73	438,093.32	372,072.00	66,021.32	17.74
400000-000	EXPENSES								
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	7,585.43	7,281.00	-304.43	-4.18	67,037.56	67,598.00	560.44	0.83
411002-000	Administrative Overtime	2.64	0.00	-2.64	N/A	2,680.64	0.00	-2,680.64	N/A
411003-000	Administrative: Employer FICA/SUI	655.62	673.00	17.38	2.58	7,421.96	7,397.00	-24.96	-0.34
411004-000	Administrative: Employee Benefits	2,802.49	1,443.00	-1,359.49	-94.21	22,875.71	19,680.00	-3,195.71	-16.24
411006-000	Administrative: Emp Incentive	0.00	0.00	0.00	N/A	55.32	0.00	-55.32	N/A
411099-000	Total Administrative Salaries	11,046.18	9,397.00	-1,649.18	-17.55	100,071.19	94,675.00	-5,396.19	-5.70
413000-000	Legal Expense								
413002-000	Yardi Resident Screening Checks	0.00	0.00	0.00	N/A	145.00	0.00	-145.00	N/A
413003-000	Credit Reports	134.00	0.00	-134.00	N/A	1,690.50	1,572.00	-118.50	-7.54
413100-000	Total Credit and Legal Expense	134.00	0.00	-134.00	N/A	1,835.50	1,572.00	-263.50	-16.76
413900-000	Other Admin Expenses								
414000-000	Staff Training	0.00	125.00	125.00	100.00	2,307.97	1,000.00	-1,307.97	-130.80
415000-000	Travel	0.00	42.00	42.00	100.00	157.99	336.00	178.01	52.98
417000-000	Bookkeeping Fees	690.00	713.00	23.00	3.23	5,707.50	5,704.00	-3.50	-0.06
417100-000	Auditing Fees	825.00	0.00	-825.00	N/A	5,361.00	4,536.00	-825.00	-18.19
417300-000	Management Fee	4,985.48	5,148.00	162.52	3.16	41,238.59	41,184.00	-54.59	-0.13
417302-000	Asset Management Fee	1,000.00	1,000.00	0.00	0.00	8,000.00	8,000.00	0.00	0.00
418900-000	Total Other Admin Expenses	7,500.48	7,028.00	-472.48	-6.72	62,773.05	60,760.00	-2,013.05	-3.31
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	180.23	263.00	82.77	31.47	859.32	1,000.00	140.68	14.07
419003-000	Printing	139.00	0.00	-139.00	N/A	801.35	804.00	2.65	0.33
419004-000	Telephone	701.09	417.00	-284.09	-68.13	3,923.25	4,084.00	160.75	3.94
419005-000	Postage	300.58	75.00	-225.58	-300.77	300.58	600.00	299.42	49.90
419006-000	Forms and Computer Supplies	145.75	0.00	-145.75	N/A	251.75	204.00	-47.75	-23.41
419007-000	Court Costs	475.00	300.00	-175.00	-58.33	2,675.00	2,400.00	-275.00	-11.46
419008-000	Subscriptions and Fees	0.00	42.00	42.00	100.00	395.00	336.00	-59.00	-17.56

SPARTANBURG HOUSING AUTHORITY
Prince Hall

Actual to Budget Variance Comparison

For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
419009-000	Sundry Miscellaneous	10.94	208.00	197.06	94.74	692.43	1,664.00	971.57	58.39
419010-000	Newspaper ADS (Advertising)	42.67	8.00	-34.67	-433.38	42.67	64.00	21.33	33.33
419011-000	Sundry Service Contracts	1,441.56	1,083.00	-358.56	-33.11	10,967.34	10,312.00	-655.34	-6.36
419018-000	False Alarms	0.00	8.00	8.00	100.00	10.00	64.00	54.00	84.38
419022-000	Other Misc Admin Expenses	0.00	0.00	0.00	N/A	150.00	0.00	-150.00	N/A
419100-000	Total Miscellaneous Admin Expenses	14,483.00	11,801.00	-2,682.00	-22.73	121,139.88	116,207.00	-4,932.88	-4.24
419900-000	TOTAL ADMINISTRATIVE EXPENSES	22,117.48	18,829.00	-3,288.48	-17.46	185,748.43	178,539.00	-7,209.43	-4.04
420000-000	TENANT SERVICES								
422000-000	Tenant Svcs-Participation Fund \$15	315.17	125.00	-190.17	-152.14	2,224.26	1,262.00	-962.26	-76.25
422001-000	Tenant Svcs.-Stipend only \$10	0.00	83.00	83.00	100.00	225.00	664.00	439.00	66.11
423000-000	Tenant Svcs-PH ESDC	31.28	183.00	151.72	82.91	175.25	1,464.00	1,288.75	88.03
429900-000	TOTAL TENANT SERVICES EXPENSES	346.45	391.00	44.55	11.39	2,624.51	3,390.00	765.49	22.58
430000-000	UTILITIES								
431000-000	Water	0.00	2,250.00	2,250.00	100.00	21,237.91	22,226.00	988.09	4.45
432000-000	Electricity	1,387.51	1,250.00	-137.51	-11.00	8,684.33	10,000.00	1,315.67	13.16
433000-000	Gas	1,004.49	0.00	-1,004.49	N/A	60,320.92	50,932.00	-9,388.92	-18.43
439000-000	Sewer	0.00	4,000.00	4,000.00	100.00	34,832.19	35,190.00	357.81	1.02
439900-000	TOTAL UTILITY EXPENSES	2,392.00	7,500.00	5,108.00	68.11	125,075.35	118,348.00	-6,727.35	-5.68
440000-000	MAINTENANCE AND OPERATIONS								
440099-000	General Maint Expense								
441000-000	Labor Maintenance	6,157.86	5,799.00	-358.86	-6.19	32,004.26	36,905.00	4,900.74	13.28
441002-000	Maintenance: Overtime	173.92	208.00	34.08	16.38	6,558.64	1,664.00	-4,894.64	-294.15
441003-000	Maintenance: Employer FICA/SUI	556.08	553.00	-3.08	-0.56	4,106.87	3,608.00	-498.87	-13.83
441004-000	Temp Maintenance Labor	0.00	0.00	0.00	N/A	9,771.49	9,000.00	-771.49	-8.57
441005-000	Maintenance: Employee Benefits	776.88	1,665.00	888.12	53.34	4,630.80	10,320.00	5,689.20	55.13
441006-000	On Call- after hours work	92.60	256.00	163.40	63.83	221.94	2,048.00	1,826.06	89.16
441200-000	Vehicle Repair	0.00	0.00	0.00	N/A	1,014.57	1,089.00	74.43	6.83
441300-000	Gasoline Purchases	131.79	125.00	-6.79	-5.43	981.34	1,000.00	18.66	1.87
441900-000	Total General Maint Expense	7,889.13	8,606.00	716.87	8.33	59,289.91	65,634.00	6,344.09	9.67
442000-000	Materials								
442002-000	Appliance-Maint Materials	0.00	0.00	0.00	N/A	3,349.05	3,224.00	-125.05	-3.88
442003-000	Painting-Maint Materials	135.77	0.00	-135.77	N/A	2,919.45	2,024.00	-895.45	-44.24
442004-000	Electrical-Maint Materials	210.55	0.00	-210.55	N/A	3,222.06	2,582.00	-640.06	-24.79
442005-000	Heating/AC-Maint Materials	764.87	0.00	-764.87	N/A	1,679.57	916.00	-763.57	-83.36
442006-000	Janitorial Supplies	119.54	50.00	-69.54	-139.08	391.44	423.00	31.56	7.46
442008-000	Plumbing-Maint Materials	1,004.19	0.00	-1,004.19	N/A	4,279.13	2,842.00	-1,437.13	-50.57
442009-000	Hand Tools-Maint Materials	51.41	25.00	-26.41	-105.64	77.12	200.00	122.88	61.44
442010-000	Maintenance Materials	930.28	300.00	-630.28	-210.09	8,473.34	7,630.00	-843.34	-11.05
442011-000	Work Supplies/Safety/Materials	35.96	0.00	-35.96	N/A	335.96	450.00	114.04	25.34
442012-000	Landscaping Materials	125.11	454.00	328.89	72.44	1,098.97	4,182.00	3,083.03	73.72
442900-000	Total Materials	3,377.68	829.00	-2,548.68	-307.44	25,826.09	24,473.00	-1,353.09	-5.53
443000-000	Contract Costs								
443001-000	Alarm/Extinguisher Contract	32.95	125.00	92.05	73.64	965.82	1,252.00	286.18	22.86
443002-000	Extermination Contract	0.00	542.00	542.00	100.00	1,418.46	4,141.00	2,722.54	65.75
443005-000	Unit Turnaround-Contract	250.00	0.00	-250.00	N/A	14,200.00	9,845.00	-4,355.00	-44.24
443006-000	Electrical-Contract	0.00	0.00	0.00	N/A	2,382.01	2,383.00	0.99	0.04
443007-000	Disposal Contract	699.52	700.00	0.48	0.07	4,896.64	5,600.00	703.36	12.56
443009-000	Landscaping-Contract	997.00	997.00	0.00	0.00	9,599.00	8,116.00	-1,483.00	-18.27
443011-000	Heating/AC-Contract	6,494.00	417.00	-6,077.00	-1,457.31	8,781.50	3,980.00	-4,801.50	-120.64
443013-000	Contract: Uniform Rental	295.03	63.00	-232.03	-368.30	672.63	504.00	-168.63	-33.46
443018-000	Plumbing-Contract	489.90	0.00	-489.90	N/A	10,534.60	9,996.00	-538.60	-5.39
443019-000	Miscellaneous Contracts	1,050.00	0.00	-1,050.00	N/A	3,960.50	1,050.00	-2,910.50	-277.19
443023-000	Con: Consultant/Mentoring	0.00	0.00	0.00	N/A	195.03	195.00	-0.03	-0.02
443099-000	Maintenance Misc-Contracts	520.60	0.00	-520.60	N/A	12,738.73	12,086.00	-652.73	-5.40
443900-000	Total Contract Costs	10,829.00	2,844.00	-7,985.00	-280.77	70,344.92	59,148.00	-11,196.92	-18.93
449900-000	TOTAL MAINTENANCE EXPENSES	22,095.81	12,279.00	-9,816.81	-79.95	155,460.92	149,255.00	-6,205.92	-4.16
450000-000	GENERAL EXPENSES								

SPARTANBURG HOUSING AUTHORITY
Prince Hall

Actual to Budget Variance Comparison
For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var		PTD Actual	PTD Budget	Variance	% Var
451000-000	General Liability Insurance	607.00	660.00	53.00	8.03		4,856.00	5,280.00	424.00	8.03
451100-000	Property Tax	0.00	0.00	0.00	N/A		1,890.00	2,004.00	114.00	5.69
452100-000	Workers Comp Insurance	436.00	578.00	142.00	24.57		3,800.00	4,624.00	824.00	17.82
457000-000	Bad Debt-Tenant Rents	0.00	0.00	0.00	N/A		8,090.78	0.00	-8,090.78	N/A
459900-000	TOTAL GENERAL EXPENSES	1,043.00	1,238.00	195.00	15.75		18,636.78	11,908.00	-6,728.78	-56.51
500000-000	NON-OPERATING ITEMS									
523401-000	Bedbug expense	200.22	0.00	-200.22	N/A		374.25	0.00	-374.25	N/A
599900-000	TOTAL NON-OPERATING ITEMS	200.22	0.00	-200.22	N/A		374.25	0.00	-374.25	N/A
800000-000	TOTAL EXPENSES	48,194.96	40,237.00	-7,957.96	-19.78		487,920.24	461,440.00	-26,480.24	-5.74
900000-000	NET INCOME	17,254.93	6,272.00	10,982.93	175.11		-49,826.92	-89,368.00	39,541.08	44.25
990002-000	Equity Transfers Out (IN)	0.00	-1,705.00	-1,705.00	-100.00		23,380.00	-13,640.00	-37,020.00	-271.41

SPARTANBURG HOUSING AUTHORITY
Scattered Sites

Actual to Budget Variance Comparison
For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
299999-999	Revenue & Expenses								
300000-000	INCOME								
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	3,858.00	4,445.00	-587.00	-13.21	33,804.00	35,560.00	-1,756.00	-4.94
311900-000	Total Rental Income	3,858.00	4,445.00	-587.00	-13.21	33,804.00	35,560.00	-1,756.00	-4.94
312000-000	Other Tenant Income								
312004-000	Late Charges	45.00	0.00	45.00	N/A	165.00	0.00	165.00	N/A
312005-000	Legal Fees - Tenant	90.00	0.00	90.00	N/A	135.00	0.00	135.00	N/A
312900-000	Total Other Tenant Income	135.00	0.00	135.00	N/A	300.00	0.00	300.00	N/A
319900-000	NET TENANT INCOME	3,993.00	4,445.00	-452.00	-10.17	34,104.00	35,560.00	-1,456.00	-4.09
340000-000	GRANT INCOME								
340100-000	HUD PH Subsidy	2,017.00	710.00	1,307.00	184.08	10,992.00	5,680.00	5,312.00	93.52
349900-000	TOTAL GRANT INCOME	2,017.00	710.00	1,307.00	184.08	10,992.00	5,680.00	5,312.00	93.52
399900-000	TOTAL INCOME	6,010.00	5,155.00	855.00	16.59	45,096.00	41,240.00	3,856.00	9.35
400000-000	EXPENSES								
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	185.92	338.00	152.08	44.99	1,559.82	2,704.00	1,144.18	42.31
411002-000	Administrative Overtime	2.86	0.00	-2.86	N/A	77.97	0.00	-77.97	N/A
411003-000	Administrative: Employer FICA/SUI	13.93	31.00	17.07	55.06	161.28	194.00	32.72	16.87
411004-000	Administrative: Employee Benefits	19.42	68.00	48.58	71.44	174.29	544.00	369.71	67.96
411099-000	Total Administrative Salaries	222.13	437.00	214.87	49.17	1,973.36	3,442.00	1,468.64	42.67
413000-000	Legal Expense								
413002-000	Yardi Resident Screening Checks	79.50	0.00	-79.50	N/A	79.50	0.00	-79.50	N/A
413003-000	Credit Reports	0.00	0.00	0.00	N/A	58.00	60.00	2.00	3.33
413100-000	Total Credit and Legal Expense	79.50	0.00	-79.50	N/A	137.50	60.00	-77.50	-129.17
413900-000	Other Admin Expenses								
414000-000	Staff Training	0.00	0.00	0.00	N/A	287.08	0.00	-287.08	N/A
417000-000	Bookkeeping Fees	45.00	64.00	19.00	29.69	465.00	512.00	47.00	9.18
417100-000	Auditing Fees	113.00	77.00	-36.00	-46.75	732.00	696.00	-36.00	-5.17
417300-000	Management Fee	325.14	463.00	137.86	29.78	3,359.78	3,704.00	344.22	9.29
417302-000	Asset Management Fee	230.00	90.00	-140.00	-155.56	1,840.00	720.00	-1,120.00	-155.56
418900-000	Total Other Admin Expenses	713.14	694.00	-19.14	-2.76	6,683.86	5,632.00	-1,051.86	-18.68
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	0.00	8.00	8.00	100.00	0.00	58.00	58.00	100.00
419003-000	Printing	10.06	0.00	-10.06	N/A	35.21	17.00	-18.21	-107.12
419004-000	Telephone	27.40	0.00	-27.40	N/A	72.67	16.00	-56.67	-354.19
419005-000	Postage	12.22	8.00	-4.22	-52.75	13.63	64.00	50.37	78.70
419006-000	Forms and Computer Supplies	0.00	8.00	8.00	100.00	0.00	64.00	64.00	100.00
419007-000	Court Costs	90.00	23.00	-67.00	-291.30	135.00	157.00	22.00	14.01
419008-000	Subscriptions and Fees	0.00	8.00	8.00	100.00	66.00	64.00	-2.00	-3.12
419009-000	Sundry Miscellaneous	0.00	17.00	17.00	100.00	-8.61	136.00	144.61	106.33
419011-000	Sundry Service Contracts	169.46	230.00	60.54	26.32	1,566.38	1,840.00	273.62	14.87
419100-000	Total Miscellaneous Admin Expenses	531.27	739.00	207.73	28.11	3,853.64	5,858.00	2,004.36	34.22
419900-000	TOTAL ADMINISTRATIVE EXPENSES	1,323.91	1,433.00	109.09	7.61	10,675.00	11,550.00	875.00	7.58
430000-000	UTILITIES								
431000-000	Water	701.53	450.00	-251.53	-55.90	4,092.55	3,408.00	-684.55	-20.09
432000-000	Electricity	64.02	58.00	-6.02	-10.38	407.92	464.00	56.08	12.09
433000-000	Gas	104.63	0.00	-104.63	N/A	498.83	229.00	-269.83	-117.83
439000-000	Sewer	315.59	500.00	184.41	36.88	2,906.52	4,000.00	1,093.48	27.34
439900-000	TOTAL UTILITY EXPENSES	1,185.77	1,008.00	-177.77	-17.64	7,905.82	8,101.00	195.18	2.41
440000-000	MAINTENANCE AND OPERATIONS								

SPARTANBURG HOUSING AUTHORITY
Scattered Sites

Actual to Budget Variance Comparison

For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
442000-000	Materials								
442003-000	Painting-Maint Materials	0.00	42.00	42.00	100.00	0.00	336.00	336.00	100.00
442004-000	Electrical-Maint Materials	0.00	42.00	42.00	100.00	0.00	336.00	336.00	100.00
442005-000	Heating/AC-Maint Materials	174.34	250.00	75.66	30.26	174.34	2,000.00	1,825.66	91.28
442008-000	Plumbing-Maint Materials	0.00	0.00	0.00	N/A	422.43	1,954.00	1,531.57	78.38
442010-000	Maintenance Materials	0.00	208.00	208.00	100.00	552.40	1,668.00	1,115.60	66.88
442900-000	Total Materials	174.34	542.00	367.66	67.83	1,149.17	6,294.00	5,144.83	81.74
443000-000	Contract Costs								
443002-000	Extermination Contract	473.50	83.00	-390.50	-470.48	1,073.95	766.00	-307.95	-40.20
443005-000	Unit Turnaround-Contract	0.00	0.00	0.00	N/A	4,835.00	2,050.00	-2,785.00	-135.85
443006-000	Electrical-Contract	0.00	83.00	83.00	100.00	0.00	643.00	643.00	100.00
443007-000	Disposal Contract	0.00	0.00	0.00	N/A	1,049.12	1,050.00	0.88	0.08
443009-000	Landscaping-Contract	418.00	110.00	-308.00	-280.00	2,420.52	1,880.00	-540.52	-28.75
443011-000	Heating/AC-Contract	0.00	417.00	417.00	100.00	0.00	3,336.00	3,336.00	100.00
443013-000	Contract: Uniform Rental	4.39	8.00	3.61	45.12	28.45	64.00	35.55	55.55
443018-000	Plumbing-Contract	743.15	0.00	-743.15	N/A	3,944.76	2,500.00	-1,444.76	-57.79
443019-000	Miscellaneous Contracts	900.00	0.00	-900.00	N/A	900.00	0.00	-900.00	N/A
443099-000	Maintenance Misc-Contracts	0.00	0.00	0.00	N/A	12,723.00	10,004.00	-2,719.00	-27.18
443900-000	Total Contract Costs	2,539.04	701.00	-1,838.04	-262.20	26,974.80	22,293.00	-4,681.80	-21.00
449900-000	TOTAL MAINTENANCE EXPENSES	2,713.38	1,243.00	-1,470.38	-118.29	28,123.97	28,587.00	463.03	1.62
450000-000	GENERAL EXPENSES								
451000-000	General Liability Insurance	16.00	16.00	0.00	0.00	128.00	128.00	0.00	0.00
451100-000	Property Tax	0.00	0.00	0.00	N/A	1,473.00	1,473.00	0.00	0.00
452100-000	Workers Comp Insurance	11.00	14.00	3.00	21.43	97.00	112.00	15.00	13.39
459900-000	TOTAL GENERAL EXPENSES	27.00	30.00	3.00	10.00	1,698.00	1,713.00	15.00	0.88
500000-000	NON-OPERATING ITEMS								
523000-000	Gain/Loss on Sale of Fixed Assets	-120,835.98	0.00	120,835.98	N/A	-120,835.98	0.00	120,835.98	N/A
523200-000	Gain/Loss from Sale Disposition of Real Pr	-700.00	0.00	700.00	N/A	-700.00	0.00	700.00	N/A
523401-000	Bedbug expense	0.00	0.00	0.00	N/A	14.48	0.00	-14.48	N/A
599900-000	TOTAL NON-OPERATING ITEMS	-121,535.98	0.00	121,535.98	N/A	-121,521.50	0.00	121,521.50	N/A
800000-000	TOTAL EXPENSES	-116,285.92	3,714.00	119,999.92	3,231.02	-73,118.71	49,951.00	123,069.71	246.38
900000-000	NET INCOME	122,295.92	1,441.00	120,854.92	8,386.88	118,214.71	-8,711.00	126,925.71	1,457.07
990001-000	Operating Transfer Out (IN)	0.00	-155.00	-155.00	-100.00	0.00	-1,240.00	-1,240.00	-100.00

SPARTANBURG HOUSING AUTHORITY
Arch Hi-Rise

Actual to Budget Variance Comparison
For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
299999-999	Revenue & Expenses								
300000-000	INCOME								
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	34,991.15	34,839.00	152.15	0.44	296,336.80	278,712.00	17,624.80	6.32
311900-000	Total Rental Income	34,991.15	34,839.00	152.15	0.44	296,336.80	278,712.00	17,624.80	6.32
312000-000	Other Tenant Income								
312003-000	Damages	232.50	100.00	132.50	132.50	8,260.40	800.00	7,460.40	932.55
312004-000	Late Charges	180.00	90.00	90.00	100.00	1,290.00	720.00	570.00	79.17
312005-000	Legal Fees - Tenant	20.00	90.00	-70.00	-77.78	1,020.00	720.00	300.00	41.67
312006-000	NSF Charges	50.00	50.00	0.00	0.00	200.00	400.00	-200.00	-50.00
312009-000	Misc.Tenant Income	715.22	1,791.00	-1,075.78	-60.07	2,822.57	14,328.00	-11,505.43	-80.30
312900-000	Total Other Tenant Income	1,197.72	2,121.00	-923.28	-43.53	13,592.97	16,968.00	-3,375.03	-19.89
319900-000	NET TENANT INCOME	36,188.87	36,960.00	-771.13	-2.09	309,929.77	295,680.00	14,249.77	4.82
340000-000	GRANT INCOME								
340100-000	HUD PH Subsidy	40,665.00	29,744.00	10,921.00	36.72	274,109.00	237,952.00	36,157.00	15.20
340111-000	Pet Fee Income	56.00	0.00	56.00	N/A	388.00	0.00	388.00	N/A
349900-000	TOTAL GRANT INCOME	40,665.00	29,744.00	10,921.00	36.72	274,109.00	237,952.00	36,157.00	15.20
360000-000	OTHER INCOME								
365000-000	Miscellaneous Other Income	0.00	572.00	-572.00	-100.00	236.55	4,576.00	-4,339.45	-94.83
365002-000	Bad Debt Recovery	0.00	0.00	0.00	N/A	139.00	0.00	139.00	N/A
369900-000	TOTAL OTHER INCOME	56.00	572.00	-516.00	-90.21	763.55	4,576.00	-3,812.45	-83.31
399900-000	TOTAL INCOME	76,909.87	67,276.00	9,633.87	14.32	584,802.32	538,208.00	46,594.32	8.66
400000-000	EXPENSES								
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	8,295.90	7,000.00	-1,295.90	-18.51	63,213.88	62,393.00	-820.88	-1.32
411002-000	Administrative Overtime	132.22	0.00	-132.22	N/A	4,206.45	0.00	-4,206.45	N/A
411003-000	Administrative: Employer FICA/SUI	610.78	722.00	111.22	15.40	6,700.90	6,741.00	40.10	0.59
411004-000	Administrative: Employee Benefits	2,363.45	1,739.00	-624.45	-35.91	20,458.26	19,165.00	-1,293.26	-6.75
411006-000	Administrative: Emp Incentive	0.00	0.00	0.00	N/A	1,436.97	198.00	-1,238.97	-625.74
411099-000	Total Administrative Salaries	11,402.35	9,461.00	-1,941.35	-20.52	96,016.46	88,497.00	-7,519.46	-8.50
413000-000	Legal Expense								
413002-000	Yardi Resident Screening Checks	0.00	0.00	0.00	N/A	119.00	0.00	-119.00	N/A
413003-000	Credit Reports	151.00	146.00	-5.00	-3.42	1,010.00	1,207.00	197.00	16.32
413100-000	Total Credit and Legal Expense	151.00	146.00	-5.00	-3.42	1,129.00	1,207.00	78.00	6.46
413900-000	Other Admin Expenses								
414000-000	Staff Training	0.00	167.00	167.00	100.00	2,193.15	1,558.00	-635.15	-40.77
415000-000	Travel	169.60	350.00	180.40	51.54	595.28	800.00	204.72	25.59
417000-000	Bookkeeping Fees	1,087.50	1,069.00	-18.50	-1.73	8,902.50	8,552.00	-350.50	-4.10
417100-000	Auditing Fees	809.00	0.00	-809.00	N/A	5,260.00	5,004.00	-256.00	-5.12
417300-000	Management Fee	7,857.55	7,722.00	-135.55	-1.76	64,323.53	61,776.00	-2,547.53	-4.12
417302-000	Asset Management Fee	1,500.00	1,500.00	0.00	0.00	12,000.00	12,000.00	0.00	0.00
418900-000	Total Other Admin Expenses	11,423.65	10,808.00	-615.65	-5.70	93,274.46	89,690.00	-3,584.46	-4.00
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	11.31	175.00	163.69	93.54	728.51	1,400.00	671.49	47.96
419003-000	Printing	104.26	63.00	-41.26	-65.49	623.85	675.00	51.15	7.58
419004-000	Telephone	1,223.91	400.00	-823.91	-205.98	5,092.46	3,717.00	-1,375.46	-37.00
419005-000	Postage	16.98	65.00	48.02	73.88	124.26	520.00	395.74	76.10
419006-000	Forms and Computer Supplies	0.00	15.00	15.00	100.00	0.00	120.00	120.00	100.00
419007-000	Court Costs	0.00	30.00	30.00	100.00	745.00	720.00	-25.00	-3.47
419008-000	Subscriptions and Fees	0.00	42.00	42.00	100.00	945.00	435.00	-510.00	-117.24
419009-000	Sundry Miscellaneous	40.00	200.00	160.00	80.00	-47.25	1,600.00	1,647.25	102.95
419010-000	Newspaper ADS (Advertising)	0.00	8.00	8.00	100.00	34.89	75.00	40.11	53.48

SPARTANBURG HOUSING AUTHORITY
Arch Hi-Rise

Actual to Budget Variance Comparison

For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var		PTD Actual	PTD Budget	Variance	% Var
419011-000	Sundry Service Contracts	1,910.34	1,940.00	29.66	1.53		17,574.18	17,564.00	-10.18	-0.06
419018-000	False Alarms	0.00	0.00	0.00	N/A		10.00	10.00	0.00	0.00
419100-000	Total Miscellaneous Admin Expenses	14,709.15	12,399.00	-2,310.15	-18.63		121,847.36	115,333.00	-6,514.36	-5.65
419900-000	TOTAL ADMINISTRATIVE EXPENSES	26,283.80	23,353.00	-2,930.80	-12.55		216,250.82	206,230.00	-10,020.82	-4.86
420000-000	TENANT SERVICES									
422000-000	Tenant Svcs-Participation Fund \$15	115.17	188.00	72.83	38.74		1,398.64	1,513.00	114.36	7.56
422001-000	Tenant Svcs.-Stipend only \$10	0.00	125.00	125.00	100.00		750.00	1,000.00	250.00	25.00
423000-000	Tenant Svcs-PH ESDC	540.52	2,252.00	1,711.48	76.00		7,281.28	18,794.00	11,512.72	61.26
429900-000	TOTAL TENANT SERVICES EXPENSES	655.69	2,565.00	1,909.31	74.44		9,429.92	21,307.00	11,877.08	55.74
430000-000	UTILITIES									
431000-000	Water	1,901.94	2,200.00	298.06	13.55		14,477.81	17,445.00	2,967.19	17.01
432000-000	Electricity	10,127.97	11,500.00	1,372.03	11.93		96,286.76	99,058.00	2,771.24	2.80
433000-000	Gas	1,833.85	225.00	-1,608.85	-715.04		2,017.75	1,800.00	-217.75	-12.10
439000-000	Sewer	2,953.09	3,300.00	346.91	10.51		23,626.02	26,400.00	2,773.98	10.51
439900-000	TOTAL UTILITY EXPENSES	16,816.85	17,225.00	408.15	2.37		136,408.34	144,703.00	8,294.66	5.73
440000-000	MAINTENANCE AND OPERATIONS									
440099-000	General Maint Expense									
441000-000	Labor Maintenance	6,585.37	6,263.00	-322.37	-5.15		47,280.60	46,089.00	-1,191.60	-2.59
441002-000	Maintenance: Overtime	545.83	208.00	-337.83	-162.42		15,832.30	4,164.00	-11,668.30	-280.22
441003-000	Maintenance: Employer FICA/SUI	557.03	605.00	47.97	7.93		6,672.29	6,383.00	-289.29	-4.53
441004-000	Temp Maintenance Labor	0.00	0.00	0.00	N/A		15,836.23	15,838.00	1.77	0.01
441005-000	Maintenance: Employee Benefits	1,049.04	1,972.00	922.96	46.80		8,070.42	9,864.00	1,793.58	18.18
441006-000	On Call- after hours work	0.00	256.00	256.00	100.00		33.01	2,048.00	2,014.99	98.39
441007-000	Treatment Bedbug Pay	0.00	0.00	0.00	N/A		616.41	0.00	-616.41	N/A
441200-000	Vehicle Repair	127.01	160.00	32.99	20.62		1,678.37	1,855.00	176.63	9.52
441300-000	Gasoline Purchases	73.81	150.00	76.19	50.79		875.04	1,200.00	324.96	27.08
441900-000	Total General Maint Expense	8,938.09	9,614.00	675.91	7.03		96,894.67	87,441.00	-9,453.67	-10.81
442000-000	Materials									
442002-000	Appliance-Maint Materials	0.00	125.00	125.00	100.00		23.70	1,000.00	976.30	97.63
442003-000	Painting-Maint Materials	0.00	185.00	185.00	100.00		1,407.04	1,876.00	468.96	25.00
442004-000	Electrical-Maint Materials	507.57	0.00	-507.57	N/A		3,087.26	2,582.00	-505.26	-19.57
442005-000	Heating/AC-Maint Materials	0.00	233.00	233.00	100.00		279.50	1,864.00	1,584.50	85.01
442006-000	Janitorial Supplies	302.44	150.00	-152.44	-101.63		1,416.03	1,336.00	-80.03	-5.99
442008-000	Plumbing-Maint Materials	1,175.35	233.00	-942.35	-404.44		3,089.49	2,120.00	-969.49	-45.73
442009-000	Hand Tools-Maint Materials	134.04	100.00	-34.04	-34.04		134.04	800.00	665.96	83.24
442010-000	Maintenance Materials	1,178.84	417.00	-761.84	-182.70		4,345.32	4,002.00	-343.32	-8.58
442011-000	Work Supplies/Safety/Materials	-2.00	50.00	52.00	104.00		260.50	400.00	139.50	34.88
442012-000	Landscaping Materials	185.11	327.00	141.89	43.39		331.01	2,616.00	2,284.99	87.35
442900-000	Total Materials	3,481.35	1,820.00	-1,661.35	-91.28		14,373.89	18,596.00	4,222.11	22.70
443000-000	Contract Costs									
443001-000	Alarm/Extinguisher Contract	0.00	0.00	0.00	N/A		10,861.07	4,500.00	-6,361.07	-141.36
443002-000	Extermination Contract	300.00	1,370.00	1,070.00	78.10		3,442.50	9,960.00	6,517.50	65.44
443005-000	Unit Turnaround-Contract	750.00	300.00	-450.00	-150.00		3,664.56	3,400.00	-264.56	-7.78
443006-000	Electrical-Contract	45.00	125.00	80.00	64.00		566.00	1,000.00	434.00	43.40
443007-000	Disposal Contract	321.26	325.00	3.74	1.15		2,248.82	2,600.00	351.18	13.51
443009-000	Landscaping-Contract	1,495.00	1,495.00	0.00	0.00		13,236.50	11,960.00	-1,276.50	-10.67
443011-000	Heating/AC-Contract	3,242.31	0.00	-3,242.31	N/A		9,702.33	4,693.00	-5,009.33	-106.74
443013-000	Contract: Uniform Rental	77.05	96.00	18.95	19.74		655.21	768.00	112.79	14.69
443017-000	Elevator-Contract	0.00	2,451.00	2,451.00	100.00		17,217.51	22,805.00	5,587.49	24.50
443018-000	Plumbing-Contract	300.00	500.00	200.00	40.00		3,829.11	4,225.00	395.89	9.37
443019-000	Miscellaneous Contracts	175.00	0.00	-175.00	N/A		2,352.10	1,654.00	-698.10	-42.21
443099-000	Maintenance Misc-Contracts	131.97	0.00	-131.97	N/A		10,892.41	8,821.00	-2,071.41	-23.48
443900-000	Total Contract Costs	6,837.59	6,662.00	-175.59	-2.64		78,668.12	76,386.00	-2,282.12	-2.99
449900-000	TOTAL MAINTENACE EXPENSES	19,257.03	18,096.00	-1,161.03	-6.42		189,936.68	182,423.00	-7,513.68	-4.12
450000-000	GENERAL EXPENSES									
451000-000	General Liability Insurance	656.00	728.00	72.00	9.89		5,248.00	5,824.00	576.00	9.89
451100-000	Property Tax	0.00	0.00	0.00	N/A		1,620.00	1,704.00	84.00	4.93

SPARTANBURG HOUSING AUTHORITY
Arch Hi-Rise

Actual to Budget Variance Comparison
For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var		PTD Actual	PTD Budget	Variance	% Var
452100-000	Workers Comp Insurance	471.00	637.00	166.00	26.06		4,104.00	5,096.00	992.00	19.47
457000-000	Bad Debt-Tenant Rents	0.00	0.00	0.00	N/A		7,891.40	0.00	-7,891.40	N/A
458000-000	All Protective Services	1,076.00	0.00	-1,076.00	N/A		8,719.00	0.00	-8,719.00	N/A
459900-000	TOTAL GENERAL EXPENSES	2,203.00	1,365.00	-838.00	-61.39		27,582.40	12,624.00	-14,958.40	-118.49
500000-000	NON-OPERATING ITEMS									
523401-000	Bedbug expense	0.00	0.00	0.00	N/A		780.68	0.00	-780.68	N/A
523417-000	Fund Day/Fall Fling Expense	0.00	0.00	0.00	N/A		24.33	0.00	-24.33	N/A
599900-000	TOTAL NON-OPERATING ITEMS	0.00	0.00	0.00	N/A		805.01	0.00	-805.01	N/A
800000-000	TOTAL EXPENSES	65,216.37	62,604.00	-2,612.37	-4.17		580,413.17	567,287.00	-13,126.17	-2.31
900000-000	NET INCOME	11,693.50	4,672.00	7,021.50	150.29		4,389.15	-29,079.00	33,468.15	115.09

SPARTANBURG HOUSING AUTHORITY
Arch Village

Actual to Budget Variance Comparison

For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
299999-999	Revenue & Expenses								
300000-000	INCOME								
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	13,355.25	12,005.00	1,350.25	11.25	100,422.50	96,040.00	4,382.50	4.56
311900-000	Total Rental Income	13,355.25	12,005.00	1,350.25	11.25	100,422.50	96,040.00	4,382.50	4.56
312000-000	Other Tenant Income								
312003-000	Damages	894.25	25.00	869.25	3,477.00	1,620.75	200.00	1,420.75	710.38
312004-000	Late Charges	15.00	60.00	-45.00	-75.00	300.00	480.00	-180.00	-37.50
312005-000	Legal Fees - Tenant	0.00	23.00	-23.00	-100.00	200.00	184.00	16.00	8.70
312006-000	NSF Charges	0.00	8.00	-8.00	-100.00	50.00	64.00	-14.00	-21.88
312009-000	Misc.Tenant Income	0.00	20.00	-20.00	-100.00	0.00	160.00	-160.00	-100.00
312900-000	Total Other Tenant Income	909.25	136.00	773.25	568.57	2,170.75	1,088.00	1,082.75	99.52
319900-000	NET TENANT INCOME	14,264.50	12,141.00	2,123.50	17.49	102,593.25	97,128.00	5,465.25	5.63
340000-000	GRANT INCOME								
340100-000	HUD PH Subsidy	14,792.00	10,061.00	4,731.00	47.02	99,210.00	80,488.00	18,722.00	23.26
340111-000	Pet Fee Income	20.00	0.00	20.00	N/A	160.00	0.00	160.00	N/A
349900-000	TOTAL GRANT INCOME	14,792.00	10,061.00	4,731.00	47.02	99,210.00	80,488.00	18,722.00	23.26
360000-000	OTHER INCOME								
365000-000	Miscellaneous Other Income	0.00	222.00	-222.00	-100.00	0.00	1,776.00	-1,776.00	-100.00
369900-000	TOTAL OTHER INCOME	20.00	222.00	-202.00	-90.99	160.00	1,776.00	-1,616.00	-90.99
399900-000	TOTAL INCOME	29,076.50	22,424.00	6,652.50	29.67	201,963.25	179,392.00	22,571.25	12.58
400000-000	EXPENSES								
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	2,854.33	2,987.00	132.67	4.44	23,552.88	23,940.00	387.12	1.62
411002-000	Administrative Overtime	45.84	0.00	-45.84	N/A	1,353.68	0.00	-1,353.68	N/A
411003-000	Administrative: Employer FICA/SUI	199.87	271.00	71.13	26.25	2,471.57	2,532.00	60.43	2.39
411004-000	Administrative: Employee Benefits	1,044.28	645.00	-399.28	-61.90	7,722.89	6,876.00	-846.89	-12.32
411006-000	Administrative: Emp Incentive	0.00	0.00	0.00	N/A	379.66	0.00	-379.66	N/A
411099-000	Total Administrative Salaries	4,144.32	3,903.00	-241.32	-6.18	35,480.68	33,348.00	-2,132.68	-6.40
413000-000	Legal Expense								
413002-000	Yardi Resident Screening Checks	0.00	0.00	0.00	N/A	14.00	0.00	-14.00	N/A
413003-000	Credit Reports	57.00	70.00	13.00	18.57	239.00	560.00	321.00	57.32
413100-000	Total Credit and Legal Expense	57.00	70.00	13.00	18.57	253.00	560.00	307.00	54.82
413900-000	Other Admin Expenses								
414000-000	Staff Training	0.00	83.00	83.00	100.00	776.05	664.00	-112.05	-16.88
415000-000	Travel	0.00	180.00	180.00	100.00	132.47	336.00	203.53	60.57
417000-000	Bookkeeping Fees	367.50	356.00	-11.50	-3.23	2,865.00	2,848.00	-17.00	-0.60
417100-000	Auditing Fees	276.00	189.00	-87.00	-46.03	1,791.00	1,704.00	-87.00	-5.11
417300-000	Management Fee	2,655.31	2,574.00	-81.31	-3.16	20,700.58	20,592.00	-108.58	-0.53
417302-000	Asset Management Fee	500.00	500.00	0.00	0.00	4,000.00	4,000.00	0.00	0.00
418900-000	Total Other Admin Expenses	3,798.81	3,882.00	83.19	2.14	30,265.10	30,144.00	-121.10	-0.40
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	70.80	42.00	-28.80	-68.57	84.72	336.00	251.28	74.79
419003-000	Printing	34.76	22.00	-12.76	-58.00	200.11	204.00	3.89	1.91
419004-000	Telephone	237.35	195.00	-42.35	-21.72	1,214.54	1,560.00	345.46	22.14
419005-000	Postage	0.94	15.00	14.06	93.73	69.56	120.00	50.44	42.03
419006-000	Forms and Computer Supplies	0.00	10.00	10.00	100.00	0.00	80.00	80.00	100.00
419007-000	Court Costs	0.00	45.00	45.00	100.00	190.00	360.00	170.00	47.22
419008-000	Subscriptions and Fees	0.00	0.00	0.00	N/A	365.00	204.00	-161.00	-78.92
419009-000	Sundry Miscellaneous	0.00	58.00	58.00	100.00	-31.11	464.00	495.11	106.70
419010-000	Newspaper ADS (Advertising)	0.00	8.00	8.00	100.00	0.00	64.00	64.00	100.00
419011-000	Sundry Service Contracts	646.78	500.00	-146.78	-29.36	5,494.70	5,177.00	-317.70	-6.14

SPARTANBURG HOUSING AUTHORITY
Arch Village

Actual to Budget Variance Comparison

For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
419100-000	Total Miscellaneous Admin Expenses	5,134.95	4,798.00	-336.95	-7.02	43,068.20	41,917.00	-1,151.20	-2.75
419900-000	TOTAL ADMINISTRATIVE EXPENSES	8,990.76	8,750.00	-240.76	-2.75	73,586.30	72,621.00	-965.30	-1.33
420000-000	TENANT SERVICES								
422000-000	Tenant Svcs-Participation Fund \$15	0.00	63.00	63.00	100.00	262.59	504.00	241.41	47.90
422001-000	Tenant Svcs.-Stipend only \$10	0.00	42.00	42.00	100.00	250.00	336.00	86.00	25.60
423000-000	Tenant Svcs-PH ESDC	107.02	873.00	765.98	87.74	1,169.94	6,984.00	5,814.06	83.25
429900-000	TOTAL TENANT SERVICES EXPENSES	107.02	978.00	870.98	89.06	1,682.53	7,824.00	6,141.47	78.50
430000-000	UTILITIES								
431000-000	Water	760.05	700.00	-60.05	-8.58	6,638.29	6,476.00	-162.29	-2.51
432000-000	Electricity	2,517.55	3,750.00	1,232.45	32.87	29,780.74	31,830.00	2,049.26	6.44
439000-000	Sewer	1,033.24	1,000.00	-33.24	-3.32	9,483.82	9,270.00	-213.82	-2.31
439900-000	TOTAL UTILITY EXPENSES	4,310.84	5,450.00	1,139.16	20.90	45,902.85	47,576.00	1,673.15	3.52
440000-000	MAINTENANCE AND OPERATIONS								
440099-000	General Maint Expense								
441000-000	Labor Maintenance	3,252.42	2,168.00	-1,084.42	-50.02	12,242.94	17,344.00	5,101.06	29.41
441002-000	Maintenance: Overtime	63.90	0.00	-63.90	N/A	1,995.21	0.00	-1,995.21	N/A
441003-000	Maintenance: Employer FICA/SUI	391.68	209.00	-182.68	-87.41	1,720.53	1,672.00	-48.53	-2.90
441005-000	Maintenance: Employee Benefits	286.16	690.00	403.84	58.53	2,268.32	5,520.00	3,251.68	58.91
441006-000	On Call- after hours work	0.00	256.00	256.00	100.00	11.00	2,048.00	2,037.00	99.46
441007-000	Treatment Bedbug Pay	0.00	0.00	0.00	N/A	205.47	0.00	-205.47	N/A
441200-000	Vehicle Repair	42.34	58.00	15.66	27.00	557.18	629.00	71.82	11.42
441300-000	Gasoline Purchases	24.60	42.00	17.40	41.43	268.55	336.00	67.45	20.07
441900-000	Total General Maint Expense	4,061.10	3,423.00	-638.10	-18.64	19,269.20	27,549.00	8,279.80	30.05
442000-000	Materials								
442002-000	Appliance-Maint Materials	0.00	125.00	125.00	100.00	0.00	1,000.00	1,000.00	100.00
442003-000	Painting-Maint Materials	19.76	0.00	-19.76	N/A	645.35	396.00	-249.35	-62.97
442004-000	Electrical-Maint Materials	80.12	150.00	69.88	46.59	1,033.81	1,650.00	616.19	37.34
442005-000	Heating/AC-Maint Materials	0.00	417.00	417.00	100.00	-528.94	3,336.00	3,864.94	115.86
442006-000	Janitorial Supplies	0.00	42.00	42.00	100.00	0.00	336.00	336.00	100.00
442008-000	Plumbing-Maint Materials	146.55	208.00	61.45	29.54	771.73	1,664.00	892.27	53.62
442009-000	Hand Tools-Maint Materials	0.00	100.00	100.00	100.00	103.86	800.00	696.14	87.02
442010-000	Maintenance Materials	295.12	0.00	-295.12	N/A	2,273.27	1,972.00	-301.27	-15.28
442011-000	Work Supplies/Safety/Materials	0.00	0.00	0.00	N/A	187.50	188.00	0.50	0.27
442012-000	Landscaping Materials	0.00	641.00	641.00	100.00	541.46	5,128.00	4,586.54	89.44
442900-000	Total Materials	541.55	1,683.00	1,141.45	67.82	5,028.04	16,470.00	11,441.96	69.47
443000-000	Contract Costs								
443001-000	Alarm/Extinguisher Contract	0.00	15.00	15.00	100.00	0.00	120.00	120.00	100.00
443002-000	Extermination Contract	0.00	225.00	225.00	100.00	558.00	1,800.00	1,242.00	69.00
443005-000	Unit Turnaround-Contract	1,511.56	250.00	-1,261.56	-504.62	1,961.56	1,700.00	-261.56	-15.39
443006-000	Electrical-Contract	0.00	250.00	250.00	100.00	90.00	2,000.00	1,910.00	95.50
443007-000	Disposal Contract	174.88	175.00	0.12	0.07	1,224.16	1,400.00	175.84	12.56
443009-000	Landscaping-Contract	498.00	498.00	0.00	0.00	5,689.50	3,984.00	-1,705.50	-42.81
443011-000	Heating/AC-Contract	0.00	83.00	83.00	100.00	0.00	664.00	664.00	100.00
443013-000	Contract: Uniform Rental	25.66	15.00	-10.66	-71.07	186.34	163.00	-23.34	-14.32
443017-000	Elevator-Contract	0.00	0.00	0.00	N/A	984.78	1,800.00	815.22	45.29
443018-000	Plumbing-Contract	0.00	208.00	208.00	100.00	369.95	1,664.00	1,294.05	77.77
443099-000	Maintenance Misc-Contracts	0.00	208.00	208.00	100.00	0.00	1,664.00	1,664.00	100.00
443900-000	Total Contract Costs	2,210.10	1,927.00	-283.10	-14.69	11,064.29	16,959.00	5,894.71	34.76
449900-000	TOTAL MAINTENANCE EXPENSES	6,812.75	7,033.00	220.25	3.13	35,361.53	60,978.00	25,616.47	42.01
450000-000	GENERAL EXPENSES								
451000-000	General Liability Insurance	238.00	263.00	25.00	9.51	1,904.00	2,104.00	200.00	9.51
452100-000	Workers Comp Insurance	171.00	230.00	59.00	25.65	1,491.00	1,840.00	349.00	18.97
459900-000	TOTAL GENERAL EXPENSES	409.00	493.00	84.00	17.04	3,395.00	3,944.00	549.00	13.92
500000-000	NON-OPERATING ITEMS								
523401-000	Bedbug expense	0.00	0.00	0.00	N/A	73.23	0.00	-73.23	N/A
523417-000	Fund Day/Fall Fling Expense	0.00	0.00	0.00	N/A	160.00	0.00	-160.00	N/A

SPARTANBURG HOUSING AUTHORITY
Arch Village

Actual to Budget Variance Comparison

For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var		PTD Actual	PTD Budget	Variance	% Var
599900-000	TOTAL NON-OPERATING ITEMS	0.00	0.00	0.00	N/A		233.23	0.00	-233.23	N/A
800000-000	TOTAL EXPENSES	20,630.37	22,704.00	2,073.63	9.13		160,161.44	192,943.00	32,781.56	16.99
900000-000	NET INCOME	8,446.13	-280.00	8,726.13	3,116.48		41,801.81	-13,551.00	55,352.81	408.48
990001-000	Operating Transfer Out (IN)	0.00	-449.00	-449.00	-100.00		0.00	-3,592.00	-3,592.00	-100.00
990002-000	Equity Transfers Out (IN)	0.00	0.00	0.00	N/A		4,250.00	0.00	-4,250.00	N/A

SPARTANBURG HOUSING AUTHORITY
Camp Croft

Actual to Budget Variance Comparison
For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
299999-999	Revenue & Expenses								
300000-000	INCOME								
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	20,974.05	20,398.00	576.05	2.82	170,772.63	163,184.00	7,588.63	4.65
311900-000	Total Rental Income	20,974.05	20,398.00	576.05	2.82	170,772.63	163,184.00	7,588.63	4.65
312000-000	Other Tenant Income								
312003-000	Damages	276.41	200.00	76.41	38.20	1,026.20	1,600.00	-573.80	-35.86
312004-000	Late Charges	285.00	250.00	35.00	14.00	1,995.00	2,000.00	-5.00	-0.25
312005-000	Legal Fees - Tenant	0.00	250.00	-250.00	-100.00	830.00	2,000.00	-1,170.00	-58.50
312006-000	NSF Charges	25.00	0.00	25.00	N/A	150.00	0.00	150.00	N/A
312007-000	Tenant Owed Utilities - Excess	5,676.42	3,200.00	2,476.42	77.39	20,073.92	25,600.00	-5,526.08	-21.59
312009-000	Misc. Tenant Income	319.11	0.00	319.11	N/A	1,055.30	0.00	1,055.30	N/A
312900-000	Total Other Tenant Income	6,581.94	3,900.00	2,681.94	68.77	25,130.42	31,200.00	-6,069.58	-19.45
319900-000	NET TENANT INCOME	27,555.99	24,298.00	3,257.99	13.41	195,903.05	194,384.00	1,519.05	0.78
340000-000	GRANT INCOME								
340100-000	HUD PH Subsidy	37,531.00	29,543.00	7,988.00	27.04	259,848.00	236,344.00	23,504.00	9.94
340111-000	Pet Fee Income	40.00	0.00	40.00	N/A	311.00	0.00	311.00	N/A
349900-000	TOTAL GRANT INCOME	37,531.00	29,543.00	7,988.00	27.04	259,848.00	236,344.00	23,504.00	9.94
360000-000	OTHER INCOME								
365000-000	Miscellaneous Other Income	0.00	257.00	-257.00	-100.00	13.75	2,056.00	-2,042.25	-99.33
365002-000	Bad Debt Recovery	17.00	0.00	17.00	N/A	17.00	0.00	17.00	N/A
369900-000	TOTAL OTHER INCOME	57.00	257.00	-200.00	-77.82	341.75	2,056.00	-1,714.25	-83.38
399900-000	TOTAL INCOME	65,143.99	54,098.00	11,045.99	20.42	456,092.80	432,784.00	23,308.80	5.39
400000-000	EXPENSES								
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	8,006.00	7,872.00	-134.00	-1.70	69,315.72	69,825.00	509.28	0.73
411002-000	Administrative Overtime	95.80	0.00	-95.80	N/A	2,451.27	0.00	-2,451.27	N/A
411003-000	Administrative: Employer FICA/SUI	647.24	754.00	106.76	14.16	6,992.38	7,088.00	95.62	1.35
411004-000	Administrative: Employee Benefits	2,728.15	1,721.00	-1,007.15	-58.52	23,227.89	21,191.00	-2,036.89	-9.61
411006-000	Administrative: Emp Incentive	0.00	0.00	0.00	N/A	30.32	0.00	-30.32	N/A
411099-000	Total Administrative Salaries	11,477.19	10,347.00	-1,130.19	-10.92	102,017.58	98,104.00	-3,913.58	-3.99
413000-000	Legal Expense								
413002-000	Yardi Resident Screening Checks	78.00	0.00	-78.00	N/A	85.00	0.00	-85.00	N/A
413003-000	Credit Reports	0.00	89.00	89.00	100.00	751.00	712.00	-39.00	-5.48
413100-000	Total Credit and Legal Expense	78.00	89.00	11.00	12.36	836.00	712.00	-124.00	-17.42
413900-000	Other Admin Expenses								
414000-000	Staff Training	0.00	281.00	281.00	100.00	1,609.11	1,464.00	-145.11	-9.91
415000-000	Travel	0.00	125.00	125.00	100.00	83.54	1,000.00	916.46	91.65
417000-000	Bookkeeping Fees	697.50	698.00	0.50	0.07	5,542.50	5,584.00	41.50	0.74
417100-000	Auditing Fees	526.00	359.00	-167.00	-46.52	3,419.00	3,252.00	-167.00	-5.14
417300-000	Management Fee	5,039.67	5,045.00	5.33	0.11	40,046.41	40,360.00	313.59	0.78
417302-000	Asset Management Fee	980.00	980.00	0.00	0.00	7,840.00	7,840.00	0.00	0.00
418900-000	Total Other Admin Expenses	7,243.17	7,488.00	244.83	3.27	58,540.56	59,500.00	959.44	1.61
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	115.71	286.00	170.29	59.54	615.92	1,000.00	384.08	38.41
419003-000	Printing	139.00	71.00	-68.00	-95.77	801.35	781.00	-20.35	-2.61
419004-000	Telephone	621.34	500.00	-121.34	-24.27	4,314.58	4,740.00	425.42	8.98
419005-000	Postage	74.73	13.00	-61.73	-474.85	75.20	104.00	28.80	27.69
419006-000	Forms and Computer Supplies	0.00	50.00	50.00	100.00	0.00	400.00	400.00	100.00
419007-000	Court Costs	45.00	200.00	155.00	77.50	740.00	1,600.00	860.00	53.75
419008-000	Subscriptions and Fees	0.00	17.00	17.00	100.00	315.00	136.00	-179.00	-131.62
419009-000	Sundry Miscellaneous	952.98	42.00	-910.98	-2,169.00	1,069.92	337.00	-732.92	-217.48

SPARTANBURG HOUSING AUTHORITY
Camp Croft

Actual to Budget Variance Comparison

For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
419010-000	Newspaper ADS (Advertising)	0.00	10.00	10.00	100.00	0.00	80.00	80.00	100.00
419011-000	Sundry Service Contracts	1,357.37	1,333.00	-24.37	-1.83	11,842.21	11,749.00	-93.21	-0.79
419022-000	Other Misc Admin Expenses	200.00	200.00	0.00	0.00	1,600.00	1,600.00	0.00	0.00
419100-000	Total Miscellaneous Admin Expenses	14,983.32	13,069.00	-1,914.32	-14.65	123,391.76	120,631.00	-2,760.76	-2.29
419900-000	TOTAL ADMINISTRATIVE EXPENSES	22,304.49	20,646.00	-1,658.49	-8.03	182,768.32	180,843.00	-1,925.32	-1.06
420000-000	TENANT SERVICES								
422000-000	Tenant Svcs-Participation Fund \$15	115.17	120.00	4.83	4.03	966.07	1,012.00	45.93	4.54
422001-000	Tenant Svcs.-Stipend only \$10	0.00	80.00	80.00	100.00	0.00	640.00	640.00	100.00
423000-000	Tenant Svcs-PH ESDC	68.14	1,011.00	942.86	93.26	1,443.67	5,956.00	4,512.33	75.76
423001-000	Tenant Relocation	0.00	0.00	0.00	N/A	770.00	700.00	-70.00	-10.00
429900-000	TOTAL TENANT SERVICES EXPENSES	183.31	1,211.00	1,027.69	84.86	3,179.74	8,308.00	5,128.26	61.73
430000-000	UTILITIES								
431000-000	Water	1,807.96	2,300.00	492.04	21.39	17,937.50	20,737.00	2,799.50	13.50
432000-000	Electricity	5,741.65	5,800.00	58.35	1.01	35,462.28	37,535.00	2,072.72	5.52
433000-000	Gas	2,075.68	4,500.00	2,424.32	53.87	51,385.45	56,157.00	4,771.55	8.50
439000-000	Sewer	2,919.52	3,500.00	580.48	16.59	28,363.22	32,461.00	4,097.78	12.62
439900-000	TOTAL UTILITY EXPENSES	12,544.81	16,100.00	3,555.19	22.08	133,148.45	146,890.00	13,741.55	9.36
440000-000	MAINTENANCE AND OPERATIONS								
440099-000	General Maint Expense								
441000-000	Labor Maintenance	6,557.60	5,415.00	-1,142.60	-21.10	47,021.85	46,193.00	-828.85	-1.79
441002-000	Maintenance: Overtime	319.39	0.00	-319.39	N/A	2,719.72	0.00	-2,719.72	N/A
441003-000	Maintenance: Employer FICA/SUI	654.96	650.00	-4.96	-0.76	5,081.41	5,027.00	-54.41	-1.08
441004-000	Temp Maintenance Labor	0.00	573.00	573.00	100.00	1,039.22	4,505.00	3,465.78	76.93
441005-000	Maintenance: Employee Benefits	944.68	1,444.00	499.32	34.58	6,886.59	10,552.00	3,665.41	34.74
441006-000	On Call- after hours work	0.00	256.00	256.00	100.00	0.00	2,048.00	2,048.00	100.00
441007-000	Treatment Bedbug Pay	0.00	0.00	0.00	N/A	142.93	0.00	-142.93	N/A
441200-000	Vehicle Repair	762.94	67.00	-695.94	-1,038.72	1,386.71	555.00	-831.71	-149.86
441300-000	Gasoline Purchases	263.62	0.00	-263.62	N/A	2,223.04	1,800.00	-423.04	-23.50
441900-000	Total General Maint Expense	9,503.19	8,405.00	-1,098.19	-13.07	66,501.47	70,680.00	4,178.53	5.91
442000-000	Materials								
442002-000	Appliance-Maint Materials	261.04	150.00	-111.04	-74.03	1,434.23	1,376.00	-58.23	-4.23
442003-000	Painting-Maint Materials	62.74	50.00	-12.74	-25.48	345.81	400.00	54.19	13.55
442004-000	Electrical-Maint Materials	594.70	200.00	-394.70	-197.35	1,706.23	1,515.00	-191.23	-12.62
442005-000	Heating/AC-Maint Materials	0.00	200.00	200.00	100.00	988.93	1,600.00	611.07	38.19
442006-000	Janitorial Supplies	93.30	50.00	-43.30	-86.60	130.89	400.00	269.11	67.28
442008-000	Plumbing-Maint Materials	1,243.41	350.00	-893.41	-255.26	2,617.12	2,800.00	182.88	6.53
442009-000	Hand Tools-Maint Materials	0.00	17.00	17.00	100.00	27.81	136.00	108.19	79.55
442010-000	Maintenance Materials	1,151.32	667.00	-484.32	-72.61	6,690.78	6,632.00	-58.78	-0.89
442011-000	Work Supplies/Safety/Materials	0.00	33.00	33.00	100.00	305.28	358.00	52.72	14.73
442012-000	Landscaping Materials	217.12	1,720.00	1,502.88	87.38	5,679.98	13,760.00	8,080.02	58.72
442900-000	Total Materials	3,623.63	3,437.00	-186.63	-5.43	19,927.06	28,977.00	9,049.94	31.23
443000-000	Contract Costs								
443001-000	Alarm/Extinguisher Contract	65.90	50.00	-15.90	-31.80	1,526.18	1,495.00	-31.18	-2.09
443002-000	Extermination Contract	228.50	0.00	-228.50	N/A	8,156.46	4,927.00	-3,229.46	-65.55
443005-000	Unit Turnaround-Contract	1,122.15	0.00	-1,122.15	N/A	13,702.87	11,846.00	-1,856.87	-15.68
443006-000	Electrical-Contract	0.00	83.00	83.00	100.00	41.22	664.00	622.78	93.79
443007-000	Disposal Contract	437.20	440.00	2.80	0.64	3,060.40	3,520.00	459.60	13.06
443009-000	Landscaping-Contract	977.00	977.00	0.00	0.00	10,059.00	7,816.00	-2,243.00	-28.70
443011-000	Heating/AC-Contract	6,500.00	292.00	-6,208.00	-2,126.03	8,527.89	2,397.00	-6,130.89	-255.77
443013-000	Contract: Uniform Rental	68.82	68.00	-0.82	-1.21	478.07	544.00	65.93	12.12
443018-000	Plumbing-Contract	150.00	1,263.00	1,113.00	88.12	4,539.90	6,986.00	2,446.10	35.01
443099-000	Maintenance Misc-Contracts	0.00	250.00	250.00	100.00	173.90	2,000.00	1,826.10	91.30
443900-000	Total Contract Costs	9,549.57	3,423.00	-6,126.57	-178.98	50,265.89	42,195.00	-8,070.89	-19.13
449900-000	TOTAL MAINTENANCE EXPENSES	22,676.39	15,265.00	-7,411.39	-48.55	136,694.42	141,852.00	5,157.58	3.64
450000-000	GENERAL EXPENSES								
451000-000	General Liability Insurance	662.00	718.00	56.00	7.80	5,296.00	5,744.00	448.00	7.80
451100-000	Property Tax	0.00	0.00	0.00	N/A	9,660.00	9,660.00	0.00	0.00

SPARTANBURG HOUSING AUTHORITY
Camp Croft

Actual to Budget Variance Comparison
For eight months ending May 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
452100-000	Workers Comp Insurance	475.00	629.00	154.00	24.48	4,142.00	5,032.00	890.00	17.69
457000-000	Bad Debt-Tenant Rents	0.00	0.00	0.00	N/A	2,065.60	0.00	-2,065.60	N/A
459900-000	TOTAL GENERAL EXPENSES	1,137.00	1,347.00	210.00	15.59	21,163.60	20,436.00	-727.60	-3.56
470000-000	HOUSING ASSISTANCE PAYMENTS								
471503-000	FSS Escrow Payments	539.00	250.00	-289.00	-115.60	3,940.00	2,495.00	-1,445.00	-57.92
479900-000	TOTAL HOUSING ASSISTANCE PAYMENTS	539.00	250.00	-289.00	-115.60	3,940.00	2,495.00	-1,445.00	-57.92
500000-000	NON-OPERATING ITEMS								
523401-000	Bedbug expense	1,892.20	0.00	-1,892.20	N/A	3,500.19	0.00	-3,500.19	N/A
599900-000	TOTAL NON-OPERATING ITEMS	1,892.20	0.00	-1,892.20	N/A	3,500.19	0.00	-3,500.19	N/A
800000-000	TOTAL EXPENSES	61,277.20	54,819.00	-6,458.20	-11.78	484,394.72	500,824.00	16,429.28	3.28
900000-000	NET INCOME	3,866.79	-721.00	4,587.79	636.31	-28,301.92	-68,040.00	39,738.08	58.40
990002-000	Equity Transfers Out (IN)	0.00	-2,608.00	-2,608.00	-100.00	50,807.05	-20,864.00	-71,671.05	-343.52

SPARTANBURG HOUSING AUTHORITY									
HCV PROGRAM INCLUDING MOD REHAB									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
340000-000	GRANT INCOME								
341001-000	Section 8 HAP Earned	953,083.00	956,434.00	(3,351.00)	-0.35	7,611,916.00	7,651,472.00	(39,556.00)	-0.52
341002-000	Sec 8 Admin. Fee Inc-HCV	99,024.00	90,971.00	8,053.00	8.85	732,779.00	727,768.00	5,011.00	0.69
341004-000	Section 8 Port-In Admin Fees	520.16	-	520.16	N/A	4,225.85	-	4,225.85	N/A
341006-000	Port In HAP Earned	(4,232.00)	-	(4,232.00)	N/A	-	-	-	N/A
341007-000	FSS Forfeitures-Income	-	-	-	N/A	3,004.00	-	3,004.00	N/A
341010-000	Section 8 Admin Fee -Mod Rehab	2,254.00	13,702.00	(11,448.00)	-83.55	101,304.00	109,616.00	(8,312.00)	-7.58
341011-000	Mod Rehab- HAP EARNED	19,911.00	119,326.00	(99,415.00)	-83.31	744,189.00	954,608.00	(210,419.00)	-22.04
349900-000	TOTAL GRANT INCOME	1,070,560.16	1,180,433.00	(109,872.84)	-9.31	9,197,417.85	9,443,464.00	(246,046.15)	-2.61
360000-000	OTHER INCOME								
364000-000	Fraud Recovery Income-Admin	846.20	792.00	54.20	6.84	9,270.80	6,336.00	2,934.80	46.32
364001-000	Fraud Recovery - HAP	846.20	792.00	54.20	6.84	9,270.75	6,336.00	2,934.75	46.32
364002-000	TBRA -HAP Earned	3,254.00	-	3,254.00	N/A	23,495.96	-	23,495.96	N/A
365000-000	Miscellaneous Other Income	325.40	-	325.40	N/A	2,381.54	-	2,381.54	N/A
369900-000	TOTAL OTHER INCOME	5,271.80	1,584.00	3,687.80	232.82	44,419.05	12,672.00	31,747.05	250.53
399900-000	TOTAL INCOME	1,075,831.96	1,182,017.00	(106,185.04)	-8.98	9,241,836.90	9,456,136.00	(214,299.10)	-2.27
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	36,082.77	35,456.00	(626.77)	-1.77	275,105.09	285,756.00	10,650.91	3.73
411002-000	Administrative Overtime	64.46	-	(64.46)	N/A	826.32	-	(826.32)	N/A
411003-000	Administrative: Employer FICA/SUI	3,767.81	3,342.00	(425.81)	-12.74	30,289.77	29,367.00	(922.77)	-3.14
411004-000	Administrative: Employee Benefits	8,474.99	8,648.00	173.01	2.00	71,367.59	72,160.00	792.41	1.10
411006-000	Administrative: Emp Incentive	757.99	-	(757.99)	N/A	12,747.37	-	(12,747.37)	N/A
411099-000	Total Administrative Salaries	49,148.02	47,446.00	(1,702.02)	-3.59	390,336.14	387,283.00	(3,053.14)	-0.79
413000-000	Legal Expense								
413002-000	Yardi Resident Screening Checks	-	292.00	292.00	100.00	561.00	2,350.00	1,789.00	76.13
413100-000	Total Credit and Legal Expense	-	292.00	292.00	100.00	561.00	2,350.00	1,789.00	76.13
413900-000	Other Admin Expenses								
414000-000	Staff Training	2,317.86	500.00	(1,817.86)	-363.57	3,244.56	4,000.00	755.44	18.89
415000-000	Travel	556.05	333.00	(223.05)	-66.98	1,078.49	2,664.00	1,585.51	59.52
417000-000	Bookkeeping Fees	15,480.00	16,248.00	768.00	4.73	126,915.00	129,984.00	3,069.00	2.36
417001-000	Bookkeeping Fees-MOD Rehab	1,485.00	1,613.00	128.00	7.94	11,595.00	12,904.00	1,309.00	10.14
417100-000	Auditing Fees	889.00	458.00	(431.00)	-94.10	5,779.00	6,201.00	422.00	6.81
417200-000	Port Out Admin Fee	515.65	667.00	151.35	22.69	5,007.90	5,336.00	328.10	6.15
417300-000	Management Fee	24,768.00	25,996.00	1,228.00	4.72	203,064.00	207,968.00	4,904.00	2.36
417303-000	Management Fee- MOD Rehab	2,376.00	2,580.00	204.00	7.91	18,552.00	20,640.00	2,088.00	10.12
418000-000	Office Rent	3,638.15	3,570.00	(68.15)	-1.91	28,913.50	28,560.00	(353.50)	-1.24
418900-000	Total Other Admin Expenses	52,025.71	51,965.00	(60.71)	-0.12	404,149.45	418,257.00	14,107.55	3.37
419000-000	Miscellaneous Admin Expenses								

SPARTANBURG HOUSING AUTHORITY	
HCV PROGRAM INCLUDING MOD REHAB	

[illegible]

May 31, 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
419001-000	Office Expense	115.72	417.00	301.28	72.25	1,672.07	3,022.00	1,349.93	44.67
419003-000	Printing	1,090.05	-	(1,090.05)	N/A	4,399.30	2,891.00	(1,508.30)	-52.17
419004-000	Telephone	1,578.29	490.00	(1,088.29)	-222.10	11,126.06	9,013.00	(2,113.06)	-23.44
419005-000	Postage	2,236.94	667.00	(1,569.94)	-235.37	6,674.11	6,095.00	(579.11)	-9.50
419006-000	Forms and Computer Supplies	-	125.00	125.00	100.00	210.60	1,080.00	869.40	80.50
419008-000	Subscriptions and Fees	-	13.00	13.00	100.00	-	104.00	104.00	100.00
419009-000	Sundry Miscellaneous	-	83.00	83.00	100.00	24.84	664.00	639.16	96.26
419010-000	Newspaper ADS (Advertising)	-	42.00	42.00	100.00	-	336.00	336.00	100.00
419011-000	Sundry Service Contracts	4,784.60	3,500.00	(1,284.60)	-36.70	27,523.67	26,935.00	(588.67)	-2.19
419017-000	Temporary Administrative Labor	-	25.00	25.00	100.00	-	200.00	200.00	100.00
419100-000	Total Miscellaneous Admin Expenses	9,805.60	5,362.00	(4,443.60)	-82.87	51,630.65	50,340.00	(1,290.65)	-2.56
419900-000	TOTAL ADMINISTRATIVE EXPENSES	110,979.33	105,065.00	(5,914.33)	-5.63	846,677.24	858,230.00	11,552.76	1.35
440000-000	MAINTENANCE AND OPERATIONS								
440099-000	General Maint Expense								
441200-000	Vehicle Repair	568.56	208.00	(360.56)	-173.35	1,572.89	1,664.00	91.11	5.48
441300-000	Gasoline Purchases	228.98	175.00	(53.98)	-30.85	1,815.71	1,665.00	(150.71)	-9.05
441900-000	Total General Maint Expense	797.54	383.00	(414.54)	-108.24	3,388.60	3,329.00	(59.60)	-1.79
443000-000	Contract Costs								
443015-000	Janitorial-Contract	480.00	480.00	-	0.00	3,840.00	3,840.00	-	0.00
443023-000	Con:Consultant/Mentoring	764.00	2,716.00	1,952.00	71.87	9,326.30	15,164.00	5,837.70	38.50
443900-000	Total Contract Costs	1,244.00	3,196.00	1,952.00	61.08	13,166.30	19,004.00	5,837.70	30.72
449900-000	TOTAL MAINTENACE EXPENSES	2,041.54	3,579.00	1,537.46	42.96	16,554.90	22,333.00	5,778.10	25.87
450000-000	GENERAL EXPENSES								
451000-000	General Liability Insurance	1,645.00	1,724.00	79.00	4.58	13,160.00	13,792.00	632.00	4.58
452100-000	Workers Comp Insurance	1,181.00	1,508.00	327.00	21.68	10,291.00	12,064.00	1,773.00	14.70
459900-000	TOTAL GENERAL EXPENSES	2,826.00	3,232.00	406.00	12.56	23,451.00	25,856.00	2,405.00	9.30
470000-000	HOUSING ASSISTANCE PAYMENTS								
471500-000	Housing Assistance Payments	974,793.00	1,018,906.00	44,113.00	4.33	7,937,859.00	8,151,248.00	213,389.00	2.62
471501-000	Tenant Utility Payments	34,285.00	37,201.00	2,916.00	7.84	283,264.00	297,608.00	14,344.00	4.82
471502-000	Portable Out HAP Payments	10,585.00	15,185.00	4,600.00	30.29	114,188.00	121,480.00	7,292.00	6.00
471503-000	FSS Escrow Payments	4,095.00	4,468.00	373.00	8.35	47,385.00	35,744.00	(11,641.00)	-32.57
479900-000	TOTAL HOUSING ASSISTANCE PAYMENTS	1,023,758.00	1,075,760.00	52,002.00	4.83	8,382,696.00	8,606,080.00	223,384.00	2.60
	TOTAL OPERATING EXPENSES	1,139,604.87	1,187,636.00	48,031.13	4.04%	9,269,379.14	9,512,499.00	243,119.86	2.56%
900000-000	NET INCOME	(63,772.91)	(5,619.00)	(58,153.91)	-1034.95%	(27,542.24)	(56,363.00)	28,820.76	51.13%

SPARTANBURG HOUSING AUTHORITY									
HCV PROGRAM - HAP									
Actual to Budget Variance Comparison									
5/31/2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
340000-000	GRANT INCOME								
341001-000	Section 8 HAP Earned	953,083.00	956,434.00	(3,351.00)	-0.35	7,611,916.00	7,651,472.00	(39,556.00)	-0.52
341006-000	Port In HAP Earned	(4,232.00)	-	(4,232.00)	N/A	-	-	-	N/A
341007-000	FSS Forfeitures-Income	-	-	-	N/A	3,004.00	-	3,004.00	N/A
364001-000	Fraud Recovery - HAP	846.20	792.00	54.20	6.84	9,270.75	6,336.00	2,934.75	46.32
399900-000	TOTAL INCOME	949,697.20	957,226.00	(7,528.80)	-0.79%	7,624,190.75	7,657,808.00	(33,617.25)	-0.44%
470000-000	HOUSING ASSISTANCE PAYMENTS								
471500-000	Housing Assistance Payments	857,785.00	900,537.00	42,752.00	4.75	7,079,370.00	7,204,296.00	124,926.00	1.73
471501-000	Tenant Utility Payments	33,415.00	36,244.00	2,829.00	7.81	276,515.00	289,952.00	13,437.00	4.63
471502-000	Portable Out HAP Payments	10,585.00	15,185.00	4,600.00	30.29	114,188.00	121,480.00	7,292.00	6.00
471503-000	FSS Escrow Payments	4,095.00	4,468.00	373.00	8.35	47,385.00	35,744.00	(11,641.00)	-32.57
479900-000	TOTAL HOUSING ASSISTANCE PAYMENTS	905,880.00	956,434.00	50,554.00	5.29	7,517,458.00	7,651,472.00	134,014.00	1.75
900000-000	NET INCOME	43,817.20	792.00	43,025.20	5432%	106,732.75	6,336.00	100,396.75	1585%

SPARTANBURG HOUSING AUTHORITY							
HCV PROGRAM - ADMINISTRATIVE							
Actual to Budget Variance Comparison							
5/31/2018							
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget
340000-000	GRANT INCOME						
341002-000	Sec 8 Admin. Fee Inc-HCV	99,024.00	90,971.00	8,053.00	8.85	732,779.00	727,768.00
341004-000	Section 8 Port-In Admin Fees	520.16	0.00	520.16	N/A	4,225.85	0.00
364000-000	Fraud Recovery Income-Admin	846.20	792.00	54.20	6.84	9,270.80	6,336.00
399900-000	TOTAL INCOME	100,390.36	91,763.00	8,627.36	9.40%	746,275.65	734,104.00
410000-000	ADMINISTRATIVE						
410099-000	Administrative Salaries						
411000-000	Administrative Salaries and Wages	34,681.38	33,602.00	-1,079.38	-3.21	260,980.02	270,034.00
411002-000	Administrative Overtime	58.01	0.00	-58.01	N/A	780.50	0.00
411003-000	Administrative: Employer FICA/SUI	3,656.50	3,174.00	-482.50	-15.20	28,897.26	27,888.00
411004-000	Administrative: Employee Benefits	8,064.43	8,172.00	107.57	1.32	67,820.87	68,307.00
411006-000	Administrative: Emp Incentive	757.99	0.00	-757.99	N/A	12,642.83	0.00
411099-000	Total Administrative Salaries	47,218.31	44,948.00	-2,270.31	-5.05	371,121.48	366,229.00
413000-000	Legal Expense						
413002-000	Yardi Resident Screening Checks	0.00	292.00	292.00	100.00	547.00	2,336.00
413100-000	Total Credit and Legal Expense	0.00	292.00	292.00	100.00	547.00	2,336.00
413900-000	Other Admin Expenses						
414000-000	Staff Training	2,317.86	500.00	-1,817.86	-363.57	3,244.56	4,000.00
415000-000	Travel	556.05	333.00	-223.05	-66.98	1,078.49	2,664.00
417000-000	Bookkeeping Fees	15,480.00	16,248.00	768.00	4.73	126,915.00	129,984.00
417100-000	Auditing Fees	565.00	458.00	-107.00	-23.36	3,675.00	4,421.00
417200-000	Port Out Admin Fee	515.65	667.00	151.35	22.69	5,007.90	5,336.00
417300-000	Management Fee	24,768.00	25,996.00	1,228.00	4.72	203,064.00	207,968.00
418000-000	Office Rent	3,638.15	3,570.00	-68.15	-1.91	28,913.50	28,560.00
418900-000	Total Other Admin Expenses	47,840.71	47,772.00	-68.71	-0.14	371,898.45	382,933.00
419000-000	Miscellaneous Admin Expenses						
419001-000	Office Expense	86.79	342.00	255.21	74.62	1,431.78	2,436.00
419003-000	Printing	817.54	0.00	-817.54	N/A	3,546.90	2,375.00
419004-000	Telephone	1,183.72	403.00	-780.72	-193.73	9,490.78	7,813.00
419005-000	Postage	1,932.15	547.00	-1,385.15	-253.23	5,580.02	5,080.00
419006-000	Forms and Computer Supplies	0.00	125.00	125.00	100.00	133.76	1,000.00
419008-000	Subscriptions and Fees	0.00	13.00	13.00	100.00	0.00	104.00
419009-000	Sundry Miscellaneous	0.00	83.00	83.00	100.00	24.84	664.00
419010-000	Newspaper ADS (Advertising)	0.00	42.00	42.00	100.00	0.00	336.00
419011-000	Sundry Service Contracts	3,858.45	2,870.00	-988.45	-34.44	21,097.26	20,945.00
419017-000	Temporary Administrative Labor	0.00	25.00	25.00	100.00	0.00	200.00
419100-000	Total Miscellaneous Admin Expenses	7,878.65	4,450.00	-3,428.65	-77.05	41,305.34	40,953.00
419900-000	TOTAL ADMINISTRATIVE EXPENSES	102,937.67	97,462.00	-5,475.67	-5.62	784,872.27	792,451.00
440000-000	MAINTENANCE AND OPERATIONS						
440099-000	General Maint Expense						
441200-000	Vehicle Repair	568.56	208.00	-360.56	-173.35	1,572.89	1,664.00
441300-000	Gasoline Purchases	228.98	175.00	-53.98	-30.85	1,815.71	1,665.00
441900-000	Total General Maint Expense	797.54	383.00	-414.54	-108.24	3,388.60	3,329.00
443000-000	Contract Costs						
443015-000	Janitorial-Contract	480.00	480.00	0.00	0.00	3,840.00	3,840.00
443023-000	Con:Consultant/Mentoring	64.00	1,883.00	1,819.00	96.60	5,194.30	8,500.00
443900-000	Total Contract Costs	544.00	2,363.00	1,819.00	76.98	9,034.30	12,340.00
449900-000	TOTAL MAINTENANCE EXPENSES	1,341.54	2,746.00	1,404.46	51.15	12,422.90	15,669.00
450000-000	GENERAL EXPENSES						
451000-000	General Liability Insurance	1,559.00	1,572.00	13.00	0.83	12,472.00	12,576.00
452100-000	Workers Comp Insurance	1,119.00	1,375.00	256.00	18.62	9,753.00	11,000.00
459900-000	TOTAL GENERAL EXPENSES	2,678.00	2,947.00	269.00	9.13	22,225.00	23,576.00
	TOTAL OPERATING EXPENSES	106,957.21	103,155.00	-3,802.21	-3.69%	819,520.17	831,696.00
900000-000	NET INCOME	(6,566.85)	(11,392.00)	4,825.15	-42.36%	(73,244.52)	(97,592.00)

Variance	% Var
5,011.00	0.69
4,225.85	N/A
2,934.80	46.32
12,171.65	1.66%
9,053.98	3.35
-780.50	N/A
-1,009.26	-3.62
486.13	0.71
-12,642.83	N/A
-4,892.48	-1.34
1,789.00	76.58
1,789.00	76.58
755.44	18.89
1,585.51	59.52
3,069.00	2.36
746.00	16.87
328.10	6.15
4,904.00	2.36
-353.50	-1.24
11,034.55	2.88
1,004.22	41.22
-1,171.90	-49.34
-1,677.78	-21.47
-500.02	-9.84
866.24	86.62
104.00	100.00
639.16	96.26
336.00	100.00
-152.26	-0.73
200.00	100.00
-352.34	-0.86
7,578.73	0.96
91.11	5.48
-150.71	-9.05
-59.60	-1.79
0.00	0.00
3,305.70	38.89
3,305.70	26.79
3,246.10	20.72
104.00	0.83
1,247.00	11.34
1,351.00	5.73
12,175.83	1.46%
24,347.48	-24.95%

SPARTANBURG HOUSING AUTHORITY

HCV PROGRAM - MOD REHAB HAP

Actual to Budget Variance Comparison

5/31/2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
340000-000	GRANT INCOME								
341011-000	Mod Rehab- HAP EARNED	19,911.00	119,326.00	-99,415.00	-83.31	744,189.00	954,608.00	-210,419.00	-22.04
399900-000	TOTAL INCOME	19,911.00	119,326.00	-99,415.00	-83.31	744,189.00	954,608.00	-210,419.00	-22.04
470000-000	HOUSING ASSISTANCE PAYMENTS								
471500-000	Housing Assistance Payments	113,820.00	118,369.00	4,549.00	3.84	835,318.00	946,952.00	111,634.00	11.79
471501-000	Tenant Utility Payments	804.00	957.00	153.00	15.99	6,395.00	7,656.00	1,261.00	16.47
479900-000	TOTAL HOUSING ASSISTANCE PAYMENTS	114,624.00	119,326.00	4,702.00	3.94	841,713.00	954,608.00	112,895.00	11.83
900000-000	NET INCOME	(94,713.00)	-	(94,713.00)	N/A	(97,524.00)	-	(97,524.00)	N/A

SPARTANBURG HOUSING AUTHORITY									
HCV PROGRAM - MOD REHAB ADMIN									
Actual to Budget Variance Comparison									
5/31/2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
340000-000	GRANT INCOME								
341010-000	Section 8 Admin Fee -Mod Rehab	2,254.00	13,702.00	-11,448.00	-83.55	101,304.00	109,616.00	-8,312.00	-7.58
399900-000	TOTAL INCOME	2,254.00	13,702.00	-11,448.00	-83.55	101,304.00	109,616.00	-8,312.00	-7.58
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	1,401.39	1,854.00	452.61	24.41	14,125.07	15,722.00	1,596.93	10.16
411002-000	Administrative Overtime	6.45	0.00	-6.45	N/A	45.82	0.00	-45.82	N/A
411003-000	Administrative: Employer FICA/SUI	111.31	168.00	56.69	33.74	1,392.51	1,479.00	86.49	5.85
411004-000	Administrative: Employee Benefits	410.56	476.00	65.44	13.75	3,546.72	3,853.00	306.28	7.95
411006-000	Administrative: Emp Incentive	0.00	0.00	0.00	N/A	104.54	0.00	-104.54	N/A
411099-000	Total Administrative Salaries	1,929.71	2,498.00	568.29	22.75	19,214.66	21,054.00	1,839.34	8.74
413000-000	Legal Expense								
413002-000	Yardi Resident Screening Checks	0.00	0.00	0.00	N/A	14.00	14.00	0.00	0.00
413100-000	Total Credit and Legal Expense	0.00	0.00	0.00	N/A	14.00	14.00	0.00	0.00
413900-000	Other Admin Expenses								
417001-000	Bookkeeping Fees-MOD Rehab	1,485.00	1,613.00	128.00	7.94	11,595.00	12,904.00	1,309.00	10.14
417100-000	Auditing Fees	324.00	0.00	-324.00	N/A	2,104.00	1,780.00	-324.00	-18.20
417303-000	Management Fee- MOD Rehab	2,376.00	2,580.00	204.00	7.91	18,552.00	20,640.00	2,088.00	10.12
418900-000	Total Other Admin Expenses	4,185.00	4,193.00	8.00	0.19	32,251.00	35,324.00	3,073.00	8.70
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	28.93	75.00	46.07	61.43	240.29	586.00	345.71	58.99
419003-000	Printing	272.51	0.00	-272.51	N/A	852.40	516.00	-336.40	-65.19
419004-000	Telephone	394.57	87.00	-307.57	-353.53	1,635.28	1,200.00	-435.28	-36.27
419005-000	Postage	304.79	120.00	-184.79	-153.99	1,094.09	1,015.00	-79.09	-7.79
419006-000	Forms and Computer Supplies	0.00	0.00	0.00	N/A	76.84	80.00	3.16	3.95
419011-000	Sundry Service Contracts	926.15	630.00	-296.15	-47.01	6,426.41	5,990.00	-436.41	-7.29
419100-000	Total Miscellaneous Admin Expenses	1,926.95	912.00	-1,014.95	-111.29	10,325.31	9,387.00	-938.31	-10.00
419900-000	TOTAL ADMINISTRATIVE EXPENSES	8,041.66	7,603.00	-438.66	-5.77	61,804.97	65,779.00	3,974.03	6.04
440000-000	MAINTENANCE AND OPERATIONS								
443000-000	Contract Costs								
443023-000	Con:Consultant/Mentoring	700.00	833.00	133.00	15.97	4,132.00	6,664.00	2,532.00	38.00
443900-000	Total Contract Costs	700.00	833.00	133.00	15.97	4,132.00	6,664.00	2,532.00	38.00
449900-000	TOTAL MAINTENACE EXPENSES	700.00	833.00	133.00	15.97	4,132.00	6,664.00	2,532.00	38.00
450000-000	GENERAL EXPENSES								
451000-000	General Liability Insurance	86.00	152.00	66.00	43.42	688.00	1,216.00	528.00	43.42
452100-000	Workers Comp Insurance	62.00	133.00	71.00	53.38	538.00	1,064.00	526.00	49.44
459900-000	TOTAL GENERAL EXPENSES	148.00	285.00	137.00	48.07	1,226.00	2,280.00	1,054.00	46.23
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SPARTANBURG HOUSING AUTHORITY
CENTRAL OFFICE COST CENTER AND LANDSCAPE PROGRAM

Actual to Budget Variance Comparison

May 31, 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
360000-000	OTHER INCOME								
362000-000	Management Fee Income	68,014.09	67,555.00	459.09	0.68	551,286.22	540,440.00	10,846.22	2.01
362001-000	Bookkeeping fee income	21,547.50	22,378.00	(830.50)	-3.71	175,545.00	179,024.00	(3,479.00)	-1.94
365000-000	Miscellaneous Other Income	218,392.58	20,963.00	197,429.58	941.80	302,059.53	260,344.00	41,715.53	16.02
369900-000	TOTAL OTHER INCOME	307,954.17	110,896.00	197,058.17	177.70	1,028,890.75	979,808.00	49,082.75	5.01
399900-000	TOTAL INCOME	307,954.17	110,896.00	197,058.17	177.70	1,028,890.75	979,808.00	49,082.75	5.01
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	64,684.22	56,182.00	(8,502.22)	-15.13	435,954.30	446,456.00	10,501.70	2.35
411002-000	Administrative Overtime	103.06	-	(103.06)	N/A	3,873.95	-	(3,873.95)	N/A
411003-000	Administrative: Employer FICA/SUI	5,342.00	4,771.00	(571.00)	-11.97	39,146.03	39,968.00	821.97	2.06
411004-000	Administrative: Employee Benefits	9,863.28	11,886.00	2,022.72	17.02	95,803.56	100,068.00	4,264.44	4.26
411005-000	Administrative: Retirees Medical ER share	3,063.20	3,083.00	19.80	0.64	22,165.44	24,664.00	2,498.56	10.13
411006-000	Administrative: Emp Incentive	1,489.78	-	(1,489.78)	N/A	12,298.66	10,504.00	(1,794.66)	-17.09
411099-000	Total Administrative Salaries	84,545.54	75,922.00	(8,623.54)	-11.36	609,241.94	621,660.00	12,418.06	2.00
413000-000	Legal Expense								
413001-000	Legal Expense	-	167.00	167.00	100.00	22,782.98	41,336.00	18,553.02	44.88
413003-000	Credit Reports	650.00	42.00	(608.00)	-1,447.62	774.95	336.00	(438.95)	-130.64
413100-000	Total Credit and Legal Expense	650.00	209.00	(441.00)	-211.00	23,557.93	41,672.00	18,114.07	43.47
413900-000	Other Admin Expenses								
414000-000	Staff Training	252.00	783.00	531.00	67.82	7,850.87	11,264.00	3,413.13	30.30
415000-000	Travel	3,394.79	50.00	(3,344.79)	-6,689.58	14,146.68	9,404.00	(4,742.68)	-50.43
417100-000	Auditing Fees	1,211.00	-	(1,211.00)	N/A	7,879.00	7,500.00	(379.00)	-5.05
418000-000	Office Rent	8,489.02	8,168.00	(321.02)	-3.93	67,371.83	66,255.00	(1,116.83)	-1.69
418900-000	Total Other Admin Expenses	13,346.81	9,001.00	(4,345.81)	-48.28	97,248.38	94,423.00	(2,825.38)	-2.99
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	760.93	846.00	85.07	10.06	4,307.13	6,768.00	2,460.87	36.36
419003-000	Printing	1,431.74	72.00	(1,359.74)	-1,888.53	8,634.00	5,976.00	(2,658.00)	-44.48
419004-000	Telephone	2,726.65	2,050.00	(676.65)	-33.01	15,225.74	17,250.00	2,024.26	11.73
419005-000	Postage	1,515.50	850.00	(665.50)	-78.29	6,456.52	7,300.00	843.48	11.55
419008-000	Subscriptions and Fees	655.00	-	(655.00)	N/A	16,092.40	18,146.00	2,053.60	11.32
419009-000	Sundry Miscellaneous	218.90	1,108.00	889.10	80.24	8,609.00	9,381.00	772.00	8.23
419010-000	Newspaper ADS (Advertising)	1,091.40	-	(1,091.40)	N/A	3,508.18	3,600.00	91.82	2.55
419011-000	Sundry Service Contracts	3,405.53	3,848.00	442.47	11.50	36,471.26	39,142.00	2,670.74	6.82
419012-000	Software	279.64	-	(279.64)	N/A	1,606.84	890.00	(716.84)	-80.54
419017-000	Temporary Administrative Labor	-	4,633.00	4,633.00	100.00	6,856.02	34,364.00	27,507.98	80.05
419020-000	Bank Fees	-	83.00	83.00	100.00	2,791.20	3,364.00	572.80	17.03

SPARTANBURG HOUSING AUTHORITY
CENTRAL OFFICE COST CENTER AND LANDSCAPE PROGRAM

Actual to Budget Variance Comparison

May 31, 2018

		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
419021-000	Discretionary	-	42.00	42.00	100.00	-	336.00	336.00	100.00
419022-000	Other Misc Admin Expenses	3.50	254.00	250.50	98.62	252.76	2,032.00	1,779.24	87.56
419100-000	Total Miscellaneous Admin Expenses	12,088.79	13,786.00	1,697.21	12.31	110,811.05	148,549.00	37,737.95	25.40
419900-000	TOTAL ADMINISTRATIVE EXPENSES	110,631.14	98,918.00	(11,713.14)	-11.84	840,859.30	906,304.00	65,444.70	7.22
430000-000	UTILITIES								
431000-000	Water	84.90	167.00	82.10	49.16	334.18	1,336.00	1,001.82	74.99
432000-000	Electricity	1,204.70	1,667.00	462.30	27.73	8,976.12	13,336.00	4,359.88	32.69
433000-000	Gas	(110.98)	333.00	443.98	133.33	2,811.50	3,292.00	480.50	14.60
439000-000	Sewer	68.55	167.00	98.45	58.95	385.36	1,336.00	950.64	71.16
439900-000	TOTAL UTILITY EXPENSES	1,247.17	2,334.00	1,086.83	46.57	12,507.16	19,300.00	6,792.84	35.20
440000-000	MAINTENANCE AND OPERATIONS								
440099-000	General Maint Expense								
441200-000	Vehicle Repair	1,351.40	1,583.00	231.60	14.63	6,455.98	12,664.00	6,208.02	49.02
441210-000	Equipment Repair	-	250.00	250.00	100.00	-	2,000.00	2,000.00	100.00
441300-000	Gasoline Purchases	888.31	750.00	(138.31)	-18.44	5,653.88	6,139.00	485.12	7.90
441900-000	Total General Maint Expense	2,239.71	2,583.00	343.29	13.29	12,109.86	20,803.00	8,693.14	41.79
442000-000	Materials								
442006-000	Janitorial Supplies	-	108.00	108.00	100.00	423.04	864.00	440.96	51.04
442010-000	Maintenance Materials	1,384.86	613.00	(771.86)	-125.92	5,126.59	6,454.00	1,327.41	20.57
442011-000	Work Supplies/Safety/Materials	-	25.00	25.00	100.00	-	200.00	200.00	100.00
442012-000	Landscaping Materials	105.11	92.00	(13.11)	-14.25	148.28	736.00	587.72	79.85
442900-000	Total Materials	1,489.97	838.00	(651.97)	-77.80	5,697.91	8,254.00	2,556.09	30.97
443000-000	Contract Costs								
443001-000	Alarm/Extinguisher Contract	55.00	3.00	(52.00)	-1,733.33	1,050.35	973.00	(77.35)	-7.95
443007-000	Disposal Contract	420.63	200.00	(220.63)	-110.32	1,578.28	1,584.00	5.72	0.36
443009-000	Landscaping-Contract	1,640.00	2,090.00	450.00	21.53	12,614.85	16,720.00	4,105.15	24.55
443013-000	Contract: Uniform Rental	138.61	58.00	(80.61)	-138.98	567.69	464.00	(103.69)	-22.35
443015-000	Janitorial-Contract	720.00	720.00	-	0.00	5,822.08	5,830.00	7.92	0.14
443018-000	Plumbing-Contract	600.00	-	(600.00)	N/A	600.00	-	(600.00)	N/A
443019-000	Miscellaneous Contracts	-	417.00	417.00	100.00	732.59	3,066.00	2,333.41	76.11
443023-000	Con:Consultant/Mentoring	6,047.91	9,584.00	3,536.09	36.90	94,897.35	101,004.00	6,106.65	6.05
443099-000	Maintenance Misc-Contracts	62.66	3,170.00	3,107.34	98.02	6,053.80	24,798.00	18,744.20	75.59
443900-000	Total Contract Costs	9,684.81	16,242.00	6,557.19	40.37	123,916.99	154,439.00	30,522.01	19.76
449900-000	TOTAL MAINTENACE EXPENSES	13,414.49	19,663.00	6,248.51	31.78	141,724.76	183,496.00	41,771.24	22.76
450000-000	GENERAL EXPENSES								
451000-000	General Liability Insurance	4,081.33	4,083.00	1.67	0.04	32,200.64	32,664.00	463.36	1.42

[illegible]

SPARTANBURG HOUSING AUTHORITY									
JC BULL (100 units) & SLHC (32 units)									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
310000-000	TENANT INCOME								
310100-000	Rental Income								
311100-000	Tenant Rent	35,661.00	35,294.00	367.00	1.04	286,962.00	282,352.00	4,610.00	1.63
311900-000	Total Rental Income	35,661.00	35,294.00	367.00	1.04	286,962.00	282,352.00	4,610.00	1.63
312000-000	Other Tenant Income								
312003-000	Damages	-	50.00	(50.00)	-100.00	300.55	400.00	(99.45)	-24.86
312004-000	Late Charges	50.00	50.00	-	0.00	310.00	400.00	(90.00)	-22.50
312005-000	Legal Fees - Tenant	45.00	25.00	20.00	80.00	360.00	200.00	160.00	80.00
312006-000	NSF Charges	-	25.00	(25.00)	-100.00	180.00	200.00	(20.00)	-10.00
312007-000	Tenant Owed Utilities - Excess	5.42	250.00	(244.58)	-97.83	941.95	2,000.00	(1,058.05)	-52.90
312009-000	Misc.Tenant Income	16.24	-	16.24	N/A	63.12	-	63.12	N/A
312010-000	Maintenance Charges	50.00	-	50.00	N/A	137.50	-	137.50	N/A
312900-000	Total Other Tenant Income	166.66	400.00	(233.34)	-58.34	2,293.12	3,200.00	(906.88)	-28.34
319900-000	NET TENANT INCOME	35,827.66	35,694.00	133.66	0.37	289,255.12	285,552.00	3,703.12	1.30
340000-000	GRANT INCOME								
341500-000	Other Govt and Private Grants	50,145.00	49,439.00	706.00	1.43	408,087.00	395,512.00	12,575.00	3.18
349900-000	TOTAL GRANT INCOME	50,145.00	49,439.00	706.00	1.43	408,087.00	395,512.00	12,575.00	3.18
360000-000	OTHER INCOME								
365000-000	Miscellaneous Other Income	-	100.00	(100.00)	-100.00	439.65	800.00	(360.35)	-45.04
369900-000	TOTAL OTHER INCOME	-	100.00	(100.00)	-100.00	439.65	800.00	(360.35)	-45.04
399900-000	TOTAL INCOME	85,972.66	85,233.00	739.66	0.87	697,781.77	681,864.00	15,917.77	2.33
410000-000	ADMINISTRATIVE								
410099-000	Administrative Salaries								
411000-000	Administrative Salaries and Wages	8,700.59	7,221.00	(1,479.59)	-20.49	52,952.37	54,092.00	1,139.63	2.11
411002-000	Administrative Overtime	60.76	-	(60.76)	N/A	1,686.78	-	(1,686.78)	N/A
411003-000	Administrative: Employer FICA/SUI	552.03	661.00	108.97	16.49	5,200.62	5,347.00	146.38	2.74
411004-000	Administrative: Employee Benefits	2,035.10	1,490.00	(545.10)	-36.58	13,046.71	12,299.00	(747.71)	-6.08
411006-000	Administrative: Emp Incentive	-	-	-	N/A	1,618.63	-	(1,618.63)	N/A
411099-000	Total Administrative Salaries	11,348.48	9,372.00	(1,976.48)	-21.09	74,505.11	71,738.00	(2,767.11)	-3.86
413000-000	Legal Expense								
413001-000	Legal Expense	-	-	-	N/A	3,937.25	-	(3,937.25)	N/A
413002-000	Yardi Resident Screening Checks	43.50	17.00	(26.50)	-155.88	188.50	177.00	(11.50)	-6.50
413100-000	Total Credit and Legal Expense	43.50	17.00	(26.50)	-155.88	4,125.75	177.00	(3,948.75)	-2,230.93
413900-000	Other Admin Expenses								
414000-000	Staff Training	-	476.00	476.00	100.00	9,676.04	3,888.00	(5,788.04)	-148.87
415000-000	Travel	203.23	350.00	146.77	41.93	955.81	2,831.00	1,875.19	66.24

SPARTANBURG HOUSING AUTHORITY									
JC BULL (100 units) & SLHC (32 units)									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
417000-000	Bookkeeping Fees	937.50	941.00	3.50	0.37	7,582.50	7,528.00	(54.50)	-0.72
417100-000	Auditing Fees	881.00	470.00	(411.00)	-87.45	5,726.00	5,316.00	(410.00)	-7.71
417300-000	Management Fee	6,773.75	6,795.00	21.25	0.31	54,786.09	54,360.00	(426.09)	-0.78
417302-000	Asset Management Fee	1,320.00	1,320.00	-	0.00	10,560.00	10,560.00	-	0.00
418900-000	Total Other Admin Expenses	10,115.48	10,352.00	236.52	2.28	89,286.44	84,483.00	(4,803.44)	-5.69
419000-000	Miscellaneous Admin Expenses								
419001-000	Office Expense	134.70	192.00	57.30	29.84	419.59	1,536.00	1,116.41	72.68
419003-000	Printing	120.70	63.00	(57.70)	-91.59	614.95	504.00	(110.95)	-22.01
419004-000	Telephone	583.36	381.00	(202.36)	-53.11	3,628.07	4,067.00	438.93	10.79
419005-000	Postage	35.34	100.00	64.66	64.66	72.47	800.00	727.53	90.94
419006-000	Forms and Computer Supplies	-	108.00	108.00	100.00	-	864.00	864.00	100.00
419007-000	Court Costs	45.00	188.00	143.00	76.06	415.00	1,535.00	1,120.00	72.96
419008-000	Subscriptions and Fees	-	156.00	156.00	100.00	100.00	1,248.00	1,148.00	91.99
419009-000	Sundry Miscellaneous	42.56	598.00	555.44	92.88	806.22	4,784.00	3,977.78	83.15
419010-000	Newspaper ADS (Advertising)	147.86	42.00	(105.86)	-252.05	276.93	336.00	59.07	17.58
419011-000	Sundry Service Contracts	1,744.14	1,667.00	(77.14)	-4.63	14,622.00	14,422.00	(200.00)	-1.39
419018-000	False Alarms	-	5.00	5.00	100.00	10.00	40.00	30.00	75.00
419022-000	Other Misc Admin Expenses	-	50.00	50.00	100.00	95.00	195.00	100.00	51.28
419100-000	Total Miscellaneous Admin Expenses	2,853.66	3,550.00	696.34	19.62	21,060.23	30,331.00	9,270.77	30.57
419900-000	TOTAL ADMINISTRATIVE EXPENSES	24,361.12	23,291.00	(1,070.12)	-4.59	188,977.53	186,729.00	(2,248.53)	-1.20
420000-000	TENANT SERVICES								
422000-000	Tenant Svcs-Participation Fund \$15	446.67	165.00	(281.67)	-170.71	3,349.13	2,946.00	(403.13)	-13.68
422001-000	Tenant Svcs.-Stipend only \$10	-	452.00	452.00	100.00	758.34	2,486.00	1,727.66	69.50
423000-000	Tenant Svcs-PH ESDC	-	250.00	250.00	100.00	357.00	2,000.00	1,643.00	82.15
429900-000	TOTAL TENANT SERVICES EXPENSES	446.67	867.00	420.33	48.48	4,464.47	7,432.00	2,967.53	39.93
430000-000	UTILITIES								
431000-000	Water	2,076.72	2,100.00	23.28	1.11	15,424.90	17,950.00	2,525.10	14.07
432000-000	Electricity	5,983.59	6,000.00	16.41	0.27	37,983.60	48,000.00	10,016.40	20.87
433000-000	Gas	870.86	2,330.00	1,459.14	62.62	50,090.33	54,340.00	4,249.67	7.82
439000-000	Sewer	2,648.25	2,750.00	101.75	3.70	20,274.27	23,400.00	3,125.73	13.36
439900-000	TOTAL UTILITY EXPENSES	11,579.42	13,180.00	1,600.58	12.14	123,773.10	143,690.00	19,916.90	13.86
440000-000	MAINTENANCE AND OPERATIONS								
440099-000	General Maint Expense								

SPARTANBURG HOUSING AUTHORITY									
JC BULL (100 units) & SLHC (32 units)									
Actual to Budget Variance Comparison									
May 31, 2018									
		MTD Actual	MTD Budget	Variance	% Var	PTD Actual	PTD Budget	Variance	% Var
441000-000	Labor Maintenance	7,719.74	5,620.00	(2,099.74)	-37.36	42,246.98	40,157.00	(2,089.98)	-5.20
441002-000	Maintenance: Overtime	35.17	-	(35.17)	N/A	1,573.85	-	(1,573.85)	N/A
441003-000	Maintenance: Employer FICA/SUI	766.12	28.00	(738.12)	-2,636.14	4,852.26	3,469.00	(1,383.26)	-39.87
441005-000	Maintenance: Employee Benefits	1,006.32	1,253.00	246.68	19.69	8,366.00	10,047.00	1,681.00	16.73
441006-000	On Call- after hours work	119.69	512.00	392.31	76.62	219.55	4,096.00	3,876.45	94.64
441007-000	Treatment Bedbug Pay	142.94	-	(142.94)	N/A	593.19	-	(593.19)	N/A
441200-000	Vehicle Repair	-	181.00	181.00	100.00	987.45	1,024.00	36.55	3.57
441300-000	Gasoline Purchases	257.45	129.00	(128.45)	-99.57	1,526.43	1,281.00	(245.43)	-19.16
441900-000	Total General Maint Expense	10,047.43	7,723.00	(2,324.43)	-30.10	60,365.71	60,074.00	(291.71)	-0.49
442000-000	Materials								
442002-000	Appliance-Maint Materials	-	417.00	417.00	100.00	2,056.67	4,506.00	2,449.33	54.36
442003-000	Painting-Maint Materials	-	192.00	192.00	100.00	-	1,536.00	1,536.00	100.00
442004-000	Electrical-Maint Materials	78.57	417.00	338.43	81.16	810.77	3,336.00	2,525.23	75.70
442005-000	Heating/AC-Maint Materials	12.74	1,000.00	987.26	98.73	347.03	8,000.00	7,652.97	95.66
442006-000	Janitorial Supplies	26.52	59.00	32.48	55.05	97.86	472.00	374.14	79.27
442008-000	Plumbing-Maint Materials	1,398.06	6,042.00	4,643.94	76.86	6,154.49	48,336.00	42,181.51	87.27
442009-000	Hand Tools-Maint Materials	6.74	67.00	60.26	89.94	26.71	536.00	509.29	95.02
442010-000	Maintenance Materials	1,212.61	1,083.00	(129.61)	-11.97	7,056.91	8,989.00	1,932.09	21.49
442011-000	Work Supplies/Safety/Materials	(10.12)	96.00	106.12	110.54	5.86	768.00	762.14	99.24
442012-000	Landscaping Materials	125.11	969.00	843.89	87.09	271.01	7,752.00	7,480.99	96.50
442900-000	Total Materials	2,850.23	10,342.00	7,491.77	72.44	16,827.31	84,231.00	67,403.69	80.02
443000-000	Contract Costs								
443001-000	Alarm/Extinguisher Contract	-	209.00	209.00	100.00	1,005.59	1,672.00	666.41	39.86
443002-000	Extermination Contract	-	1,076.00	1,076.00	100.00	5,534.00	7,869.00	2,335.00	29.67
443005-000	Unit Turnaround-Contract	7,138.77	167.00	(6,971.77)	-4,174.71	19,165.33	10,916.00	(8,249.33)	-75.57
443006-000	Electrical-Contract	-	417.00	417.00	100.00	4,250.00	3,336.00	(914.00)	-27.40
443007-000	Disposal Contract	524.64	658.00	133.36	20.27	3,672.48	5,264.00	1,591.52	30.23
443009-000	Landscaping-Contract	1,316.00	1,316.00	-	0.00	12,969.57	10,528.00	(2,441.57)	-23.19
443011-000	Heating/AC-Contract	-	2,583.00	2,583.00	100.00	11,500.00	20,664.00	9,164.00	44.35
443013-000	Contract: Uniform Rental	58.08	84.00	25.92	30.86	676.44	714.00	37.56	5.26
443015-000	Janitorial-Contract	-	83.00	83.00	100.00	-	664.00	664.00	100.00
443018-000	Plumbing-Contract	33,542.74	1,988.00	(31,554.74)	-1,587.26	63,736.71	18,304.00	(45,432.71)	-248.21
443023-000	Con:Consultant/Mentoring	-	-	-	N/A	1,027.15	-	(1,027.15)	N/A
443099-000	Maintenance Misc-Contracts	-	5,833.00	5,833.00	100.00	7,886.43	52,664.00	44,777.57	85.02
443900-000	Total Contract Costs	42,580.23	14,414.00	(28,166.23)	-195.41	131,423.70	132,595.00	1,171.30	0.88
449900-000	TOTAL MAINTENANCE EXPENSES	55,477.89	32,479.00	(22,998.89)	-70.81	208,616.72	276,900.00	68,283.28	24.66
450000-000	GENERAL EXPENSES								

JC BULL (100 units) & SLHC (32 units)

May 31, 2018

[illegible]

Spartanburg Housing Authority				
Grant Programs				
Period Ending May 31, 2018				
SC003RPS111A015				
ROSS - Resident Self Sufficiency (\$229,293)		Term Date:		
FUND 579-cnho		12/20/2018		
		Budget	Drawn	Balance
	1168 - Project Coordinator	193,293	45,310	147,983
	1268 - Training Costs	6,000	510	5,490
	1868 - Administrative Costs	30,000	5,648	24,352
		229,293	51,468	177,825
FSS17SC0250	effective date: 12/15/2017			
ROSS - Resident Self Sufficiency (\$111,595)		12/31/18		
FUND 581-ROSS		Budget	Drawn	Balance
	1168 - Project Coordinator	111,595	35,422	76,173
mfsc179397				
Service Coordinator Multifamily (\$48,392)		Term Date:		
FUND 582		Budget	Drawn	Balance
	1010 - Salary	35,584	22,032	13,552
	1020 - Fringe Benefits	11,358	7,629	3,729
	1040 - Quality Assurance	-		-
	1045 - Training	-		-
	1050 - Travel	15		15
	1055 - Supplies and Materials	-		-
	1065 - Other Direct Costs	1,435	648	787
		48,392	30,309	18,083
YOUTH BUILD (\$994,474)		Obligation Date: 1/1/2016		
FUND 22		Term Date: 4/30/2019		
	SUMMARY	Budget	Drawn	Balance
	PERSONNEL	385,637	279,813	105,824
	FRINGE BENEFITS	128,436	87,104	41,332
	TRAVEL	8,500	7,194	1,306
	EQUIPMENT	5,707	3,680	2,027
	STUDENT WORK SUPPLIES	105,000	66,044	38,956
	CONTRACTUAL	94,500	74,875	19,625
	OTHER	266,694	216,641	50,053
	TOTAL DIRECT	994,474	735,351	259,123
	INDIRECT	-	-	-
	TOTALS	994,474	735,351	259,123
	Total Money Remaining for all Grants			\$ 531,203
Note:				
Grant Funds requested one month in arrears.				

Spartanburg Housing Authority

Capital Grant Programs

May 31, 2018

CAPITAL FUND 2016									%
Obligation Date: 4/13/2016			Budget		Drawn		Balance		Completion
End date : 12/2018									
	1408 Management Improvement		125,500		38,956		86,544		
	1410 Administration		128,964		128,964		-		
	1430 Fees and Costs		150,000		54,222		95,778		
	1460 Dwelling Structures		165,335		51,800		113,535		
	1475 Non-Dwelling Structures		35,000		9,895		25,105		
	1495 Relocation Costs		45,000				45,000		
	1503 RAD-CFP		379,843		366,669		13,174		
	1504 RAD Investment Activity		260,000		138,676		121,324		
			1,289,642		789,182		500,460		61%
CAPITAL FUND 2017									%
Obligation Date: 08/16/2017			Budget		Drawn		Balance		Completion
End date : 08/15/2019									
	1408 Management Improvement		91,158		-		91,158		
	1410 Administration		92,644		92,644		-		
	1430 Fees and Costs		100,000				100,000		
	1460 Dwelling Structures		7,827				7,827		
	1499 Development Activity		634,818				634,818		
			926,447		92,644		833,803		10%
CAPITAL FUND 2018									%
Obligation Date: 05/29/2018			Budget		Drawn		Balance		Completion
End date : 05/28/2020		0100 Reserved Budget	1,421,450		-		1,421,450		
			1,421,450		0	0	1,421,450		0%
Replacement Housing Factor Funds									
			Authorized		Draws		Balance		% Complete
CAPITAL FUND REPLACEMENT HOUSING FACTOR 2014									
Obligation Date:									
Term Date:									
	1410 Administration		9,968		9,968		-		
	1499 Development Activity		108,079		83,416		24,662		
	1501 Collateral Exp/Debt serv		166,135		166,135		0		
			284,182		259,520		24,662		
CAPITAL FUND REPLACEMENT HOUSING FACTOR 2015									
Obligation Date:									
Term Date:									
	1499 Development Activity		218,757		0		218,757		0%
CAPITAL FUND REPLACEMENT HOUSING FACTOR 2016									
Obligation Date:									
Term Date:									
	1499 Development Activity		225,533		0		225,533		0%
CAPITAL FUND REPLACEMENT HOUSING FACTOR 2017									
Obligation Date:									
Term Date:									
	1499 Development Activity		162,926		0		162,926		0%
TOTAL RHF FUNDS			891,398		259,520		631,878		29%
TOTAL CAPITAL GRANTS			4,528,937		1,141,346		3,387,591		25%

SPARTANBURG HOUSING AUTHORITY													
HCV Reserved & Restricted Cash Flow													
May 31, 2018													
INFLOWS:	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	TOTAL
HCV HAP Subsidy	891,189	1,101,144	686,758	996,703	996,708	986,236	1,000,100	953,083					7,611,921
Inter fund settlement //HAP acct	-	-	-	-	-	-	-	-					-
HCV Admin Subsidy	110,834	65,694	65,694	96,278	96,279	99,488	99,488	99,024					732,779
HCV Port-In Admin Fees	397	496	482	482	874	417	559	520					4,226
Mod Rehab HAP	116,323	116,316	116,316	116,316	116,316	116,316	26,375	19,911					744,189
Mod Rehab Admin	14,150	14,150	14,150	14,150	14,150	14,150	14,150	2,254					101,304
FSS Forfeitures income	4,282	-	-	-	23	-	(1,301)	-					3,004
HCV Refunds/Recovery/Interest	4,605	5,189	4,667	4,667	5,879	8,827	5,313	5,272					44,419
HUD Subsidy	1,141,780	1,302,990	888,066	1,228,595	1,230,229	1,225,434	1,144,685	1,080,064	-	-	-	-	9,241,842
OUTFLOWS:	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	TOTAL
HCV:													
Housing Assistance	963,136	966,898	980,490	922,861	928,417	915,037	934,739	905,880					7,517,458
Mod Rehab Vouchers	109,742	107,798	105,349	103,966	97,556	106,411	96,267	114,624					841,713
HCV Admin Expenses	88,273	96,970	107,036	99,750	99,166	117,709	103,659	106,957					819,520
Mod Rehab Admin	6,886	7,311	8,390	8,200	8,294	10,076	9,116	8,890					67,163
Total Payments	1,168,036	1,178,977	1,201,266	1,134,777	1,133,433	1,149,233	1,143,780	1,136,351	0	0	0	0	9,245,854
Net Inflow (Outflow)	(26,257)	124,012	(313,200)	93,819	96,796	76,201	904	(56,287)	0	0	0	0	(4,012)
Reserve Account INFLOW(OUTFLOW)													
Net HCV HAP	(67,342)	139,435	(289,065)	78,509	74,170	80,026	70,674	52,475	-	-	-	-	
Net Mod Rehab HAP	6,581	8,518	10,967	12,350	18,760	9,905	(69,892)	(94,713)	-	-	-	-	
HCV Admin	22,561	(31,276)	(41,342)	(3,472)	(2,887)	(18,221)	(4,171)	(7,933)	-	-	-	-	
Mod Rehab Admin	7,264	6,839	5,760	5,950	5,856	4,074	5,034	(6,636)	-	-	-	-	
	(30,935)	123,516	(313,681)	93,337	95,899	75,784	1,646	(56,807)	-	-	-	-	
Reserve Bank Accounts													
HCV and Mod Rehab disbursement	236,064	374,526	186,308	250,731	332,392	408,860	555,319	283,833					
HCV HAP -NRA	341,474	342,123	201,736	202,221	202,554	204,112	46,871	48,459					
HCV - Operations -UNA	191,381	191,381	222,949	222,949	222,949	222,949	222,949	222,949					
Mod Rehab -ADMIN	92,399	92,399	92,399	92,399	92,399	92,399	92,399	92,399					
	861,318	1,000,429	703,391	768,300	850,294	928,319	917,538	647,640	0	0	0	0	

SPARTANBURG HOUSING AUTHORITY

Cash Flow

May 31, 2018

INFLOWS:		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	TOTAL
HCV HAP Subsidy		891,189	1,101,144	686,758	996,703	996,703	986,236	1,000,100	953,083					7,611,916
HCV Admin Subsidy		110,834	65,694	65,694	96,278	96,279	99,488	99,488	99,024					732,779
Mod Rehab HAP		116,323	116,316	116,316	116,316	116,316	116,316	26,375	19,911					744,189
Mod Rehab Admin		14,150	14,150	14,150	14,150	14,150	14,150	14,150	2,254					101,304
Public Housing Subsidy		175,905	185,116	185,116	182,586	182,586	182,589	179,429	180,563					1,453,890
Tax Credit Properties Subsidy		30,044	30,725	30,725	29,060	29,060	29,062	41,073	37,906					257,655
SLHC PBV Subsidy		10,749	9,274	10,251	9,720	10,385	10,150	9,894	9,282					79,705
SC State Grant for JCB		40,944	41,579	41,145	39,822	41,650	40,718	41,661	40,863					328,382
1)	HUD & State Subsidy	1,390,138	1,563,998	1,150,155	1,484,635	1,487,129	1,478,709	1,412,170	1,342,886	-	-	-	-	11,309,820
ROSS		16,784	7,544	6,813	6,216	-	-	-	-					37,358
Youthbuild - 022-yb -NEW GRANT		23,840	34,562	37,472	30,809	32,552	37,467	15,126	40,230					252,058
CFP and RHF				92,644	55,214	-	-	-	146,342					294,200
2)	Other Grant Revenue	40,624	42,106	136,929	92,239	32,552	37,467	15,126	186,572	-	-	-	-	583,616
Public Housing Rents		100,412	101,471	99,580	100,561	106,770	100,584	101,130	96,958					807,466
JC Bull Rents		26,939	27,050	26,241	26,906	27,118	25,747	26,512	27,183					213,696
SLHC Rents		9,198	9,199	8,971	9,279	9,368	9,380	9,393	8,478					73,266
3)	Rent Revenue	136,549	137,720	134,792	136,746	143,256	135,711	137,035	132,619	-	-	-	-	1,094,428
4)	Misc Receipts	119,909	45,816	422,214	36,799	12,526	13,800	34,567	142,310					827,940
5) Other Cash-In														
HCV Reserves Transfer In					-	-	-						-	-
General Fund Interfund transfer /settlement **		-	-	-	-	-	-	(1,534,570)	-			-	-	(1,534,570)
TOTAL CASH INFLOW		1,687,220	1,789,640	1,844,090	1,750,419	1,675,463	1,665,688	64,328	1,804,387	-	-	-	-	12,281,234
1) HUD subsidy for HCV is based on the prior year actual costs. Public Housing Subsidy is a formula based calculation using rents, three year rolling based utility costs calculation, and other add-ons for audit,PILOT, IT, etc. This is also done annually and there will be a change in January. The SC State subsidy is for JC Bull and it is submitted monthly based on units leased. The TBRA is a grant and the funds have to be requested as needed.														
							Rad Proceeds transferred to G/F			1,286,248				
2) Other grant revenue includes Capital fund subsidies and grant revenue for the Resident Self Sufficiency and Youthbuild programs.							G/F transferred to PH operating reserves			(2,820,818)				
							Net amount taken out from G/F			(1,534,570)				
3) Rent revenue consists of the tenant paid rents for the various public housing units managed by the Authority.														
4) Misc revenue includes payments for court costs, resident work orders for maintenance and repair as well as, HCV repayment agreements, Public Housing bad debt recovery, laundry facility rebates, tower rental, proceeds from the sale of homes,and any other miscellaneous income. Also, included the W/C refund of \$291,460.00														
5) Other cash-In will include transfers from reserve accounts, and any adjustment to working capital.														

SPARTANBURG HOUSING AUTHORITY														
Cash Flow														
May 31, 2018														
OUTFLOWS:	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept		
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	TOTAL	
HCV:														
Housing Assistance	963,136	966,898	980,490	922,861	928,417	915,037	934,739	905,880					7,517,458	
Mod Rehab Vouchers	109,742	107,798	105,349	103,966	97,556	106,411	96,267	114,624					841,713	
TBRA vouchers	2,904	3,117	2,700	2,700	2,700	2,798	3,352	3,254					23,525	
HAP Payments	1,075,782	1,077,813	1,088,539	1,029,527	1,028,673	1,024,246	1,034,358	1,023,758	-	-	-	-	8,382,696	
Payroll	180,556	173,584	181,042	181,942	169,913	271,656	183,084	191,595					1,533,372	
Benefits/Deductions	1,629	3,851	2,257		4,624	2,342	2,364	2,321					19,388	
Payroll & Benefits	182,185	177,435	183,299	181,942	174,537	273,998	185,448	193,916	-	-	-	-	1,552,759	
State Insurance	36,995	33,492	37,223	40,097	40,215	36,461	39,148	38,560					302,191	
Rent	11,889	11,889	11,889	11,889	11,889	11,889	12,841	12,127					96,302	
Debt/Insurance/Rent	48,884	45,381	49,112	51,986	52,104	48,350	51,989	50,687	-	-	-	-	398,493	
Operating	290,966	(45,766)	350,947	421,198	343,987	531,642	222,017	464,046	0	0	0	0	2,579,037	
Capital Fund and RHF	0	26,324	20,426	72	11,637	11,897	18,143	114,997					203,496	
Ross	0	236	524	758	333	22	275	168					2,317	
Youth Build	6,921	13,938	16,087	8,734	12,808	15,273	10,888	12,061					96,708	
Homeownership	528	739	1,462	685	1,048	629	276	1,230					6,597	
Other Transfers	0	0	-	-	-	-	-	0		-			-	
HAP/ Admin Transfer	-	-	-	-	-	-	-	0		-			-	
Payables/Check Adjustment	106,044	385,814	(34,965)	717,247	(8,974)	(63,294)	(74,196)	(110,993)					916,683	
Capital & Program Expenses	113,493	427,050	3,534	727,496	16,852	(35,473)	(44,614)	17,462	-	-	-	-	1,225,800	
TOTAL CASH OUTFLOW	1,711,309	1,681,913	1,675,431	2,412,149	1,616,153	1,842,763	1,449,197	1,749,870	-	-	-	-	14,138,786	
Net Inflow(Outflow)	(24,090)	107,727	168,659	(661,731)	59,309	(177,075)	(1,384,869)	54,517	-	-	-	-	(1,857,552)	
JC Bull transfer to Residual fund				818,866									0	
Net outflow offset by reserve											-		0	
Total	(24,090)	107,727	168,659	157,135	59,309	(177,075)	(1,384,869)	54,517	-	-	-	-	(1,038,686)	
Beginning Cash : (Unrestricted)	3,805,035	3,780,945	3,888,673	4,057,332	3,395,601	3,454,911	3,277,835	1,892,966					0	</



Monthly Reports:

Programs Dashboard

Board of Commissioners

Meeting Tuesday, June 26, 2018

Housing Authority of the City of Spartanburg Programs Dashboard MAY 2018

ASSET MANAGEMENT

COMPLIANCE/REGULATORY

Public Housing Occupancy

As part of HUD's Public Housing Utilization Project, as of May 2018, Asset Management ended the month at 92.49%. The targeted goal is to maintain an occupancy of 97% overall. Excluding the vacant units at Scattered Sites, the SHA would have reached that goal with a 98.38% overall occupancy. Total Vacant Units excluding Scattered Sites is 17 Units; 4 of which are off-line for extensive repairs.

HUD GOAL	SHA Actual	Excluding Outliers
97%	92.49%	98.38%

TARS

- The Tenant Accounts Receivable Collection rate for SHA managed developments was 98.84% for all public housing properties and 99.92% for SHA managed market units and multi-family properties. Prince Hall and Scattered Sites had the lowest collection rates for the month.

HUD GOAL	SHA PH Actual	SHA MF and Market Actual
98.5%	98.84%	99.92%

MILESTONES

- The Housing Operations has scheduled for all maintenance technicians to become Certified Apartment Maintenance Technicians. The two week course was completed in March and testing will be completed by June 29.
- The SHA hosted a two-day UPCS/REAC Certification course in May for all SHA Community Managers, Assistants, and Maintenance Technicians. This course was open for other agencies to attend. All attendees passed the end of course testing.
- Lead Based Testing was completed at Archibald Hi-Rise Apartments by Spartanburg Water, the results came back clear for high levels of lead.

CAPITAL FUND

CAPITAL FUND TABLE

Replacement Housing Factor		Grant No. SC16R003502-14			
Original Award Amount	Obligation Deadline	Expenditure Deadline	Amount Dispersed		Amount Available
\$284,182	10/29/2016	10/29/2018	\$259,519.68		\$24,662.32
Replacement Housing Factor		Grant No. SC16R003502-15			
Original Award Amount	Obligation Deadline	Expenditure Deadline	Amount Dispersed		Amount Available
\$218,757	4/12/2020*	4/12/2022			\$218,757
Replacement Housing Factor		Grant No. SC16R003502-16			
Original Award Amount	Obligation Deadline	Expenditure Deadline	Amount Dispersed		Amount Available
\$225,533	4/12/2021*	4/12/2023			\$225,533
Replacement Housing Factor		Grant No. SC16R003502-17			
Original Award Amount	Obligation Deadline	Expenditure Deadline	Amount Dispersed		Amount Available
\$162,926	8/15/2019	8/15/2021			\$162,926
Capital Fund Program		Grant No. SC16P003501-16			
Original Award Amount	Obligation Deadline	Expenditure Deadline	Amount Obligated	Amount Dispersed	Amount Available
\$1,289,642.00	4/12/2018	4/12/2020	\$1,244,642	\$789,181.86	\$500,460.14
Capital Fund Program		Grant No. SC16P003501-17			
Original Award Amount	Obligation Deadline	Expenditure Deadline	Amount Obligated	Amount Dispersed	Amount Available
\$926,447	8/15/2019	8/15/2021	\$92,644.00	\$92,644.00	\$833,803.00
Capital Fund Program		Grant No. SC16P00351-18			
Original Award Amount	Obligation Deadline	Expenditure Deadline	Amount Obligated	Amount Dispersed	Amount Available
\$1,421,450					\$1,451,450

*Approved extension deadlines from HUD

Compliance/ Regulatory: The Capital Fund is awarded by HUD annually based in part on the number of units in the PHA portfolio. SHA must submit a proposed budget to HUD for approval. Funds must be obligated within 24 months and expended within 48 months. The funds are generally approved for projects directly associated with asset management. Ten percent of the award may be committed to the COCC and categories such as “Management Improvement” may be approved by HUD. (an example would be computer upgrades which benefit the overall operation of the authority). Much of SHA’s historical capital fund was used to satisfy outstanding debt (Capital Fund Financing). The RHF funds are committed to be utilized in the project on the Northside, currently underway. The expenditure date has been extended by HUD:

- ☐ 2016 Capital Fund Obligation and Disbursement End dates
 - 1) April 13, 2016 Obligation Start Date
 - 2) April 12, 2018 Obligation End Date
 - 3) April 12, 2020 Disbursement End Date
- ☐ 2017 Capital Fund Obligation and Disbursement End dates
 - 1) August 16, 2017 Obligation Start Date
 - 2) August 15, 2019 Obligation End Date
 - 3) August 15, 2021 Disbursement End Date
- ☐ 2018 Capital Fund Obligation and Disbursement End date
 - 1) May 28, 2018 Obligation Start Date
 - 2) May 28, 2020 Obligation End Date
 - 3) May 28, 2020 Disbursement End Date
- ☐ Monthly reporting by the 5th of each month on the obligation and expenditure of each open Capital Fund in the Line of Credit Control System (LOCCS)

OUTLIERS

- ☐ Anticipating not receiving Capital Funds in 2019
- ☐ Majority of 2017 Capital Fund have been obligated for RAD
- Lack of Capital Funds to meet SHA's physical needs of the properties

MILESTONES

- ☐ Obligated 96% of Capital Fund for 2017
- ☐ Received notification for \$1,421,450 in Capital Funds for 2018

DEVELOPMENT

COMPLIANCE/REGULATORY

- SHA must issue RFP's and RFQ's for developer and contractor activity while adhering to SHA and HUD procurement policies

OUTLIERS

- ☐ SHA experiences challenges in attracting interested and qualified vendors

MILESTONES

- ☐ Submitted application to SC Mental Health to become a qualified provider
- ☐ Received letter from SCSHFDA stating that the tax credit application had no documents missing or incomplete information
- ☐ GreenEarth Partners was awarded the JC Bull Fire units contract

NHP Foundation was introduced to the residents at Victoria Garden during the tenant meeting on May 15, 2018. A walk thru was held with the architect and general contractor while NHP was on site. SHA and NHP Foundation continue to move forward with meetings and calls about the new

concept and design at Camp Croft. Meetings and calls have been held with Duke Energy, City of Spartanburg planning, surveyor, and Spartanburg Water System. GreenEarth Partners has begun the process of applying for the construction permit at JC Bull. The work should begin before the end of June.

HOUSING CHOICE VOUCHER PROGRAM

COMPLIANCE/REGULATORY

- ☐ The HUD requirement is that the PHA utilizes 98% of its vouchers or 98% of its allocated funding.
- The **Housing Choice Voucher Program's (HCV)** cumulative leasing and budget utilization from the 24 Month Tool.

Cumulative % Annual Leased	Cumulative % Eligibility Expended	Monthly UML %	Monthly ABA Expended %
91.8%	98.9%	90.0%	97.7.1%

- ☐ The current monthly lease up rate for **HCV** which includes **Project Based Voucher (PBV)** and **Rental Assistance Demonstration (RAD)** Programs:

HCV	PBV	RAD
90%	99%	94%

- ☐ The **Mod Rehab Program (MOD)** leasing rate is 90%:

Norris Ridge	Morningside
90%	97%

- ☐ The **Tenant Based Rental Assistance Program (TBRA)** leasing rate is 75%.

OUTLIERS

- ☐ The HCV Department is working to maintain leasing within our budget allocation in the HCV, RAD, PBV, and MOD Rehab programs to ensure that the program meets HUD requirements.
- ☐ The Mod Rehab Program leasing is at the required 90%.
- ☐ TBRA Program leasing has increased to nine (9) participants. There are two (2) veterans searching for housing and two (2) veterans that have selected units. The units are scheduled for inspection.

MILESTONES

- ☐ Housing Choice Voucher Program issued forty-eight (48) vouchers.
- ☐ The HCV, PBV and RAD programs had a net loss of seventeen (17) units.
- ☐ The MOD Rehab Program had a net loss of four (4) units.

- The HCV FSS Program currently has 62 participants and an escrow balance of \$88,528. Two participants graduated from the program and received escrow payments in the amount of \$13,418.