

5.2	<p>Goals and Objectives. Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.</p> <p>Benton Harbor Housing Commission goals for 2008-2012 will be to;</p> <p>Expand the supply of assisted housing by</p> <ul style="list-style-type: none"> • Reducing public housing vacancies: • Leverage private or other public funds to create additional housing opportunities: • Complete Hope VI Phase IV –Harbor Bluffs: • Acquire or build units or developments: • Enter into a Project Based HCV HAP Contract for 28 units that will include Community Supportive Services for residents. <p>Improve the quality of assisted housing by;</p> <ul style="list-style-type: none"> • Improving public housing management: • Improve voucher management: Increase customer satisfaction: • Concentrate on efforts to improve specific management functions e.g. public housing finance, public housing maintenance functions, vacant unit turnaround time; • Renovate and/or modernize public housing units: • Provide replacement public housing. <p>Increase assisted housing choices by;</p> <ul style="list-style-type: none"> • Providing voucher mobility counseling: • Conduct outreach efforts to potential voucher landlords. <p>Provide an improved living environment by;</p> <ul style="list-style-type: none"> • Implementing measures to de-concentrate poverty by bringing higher income public housing households into lower income developments: • Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments: • Implement public housing security improvements: • Partner with business to develop economic opportunities. <p>Promote self-sufficiency and asset development of assisted households by;</p> <ul style="list-style-type: none"> • Increase the number and percentage of employed persons in assisted families; • Provide or attract supportive services to improve assistance recipients’ employability: • Provide or attract supportive services to increase independence for the elderly or families with disabilities. <p>Ensure equal opportunity and affirmatively further fair housing by;</p> <ul style="list-style-type: none"> • Undertaking affirmative measures to ensure access to assisted housing regardless of race, color, religion, national origin, sex, familial status, and disability: • Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion, national origin, sex, familial status, and disability: • Undertake affirmative measures to ensure accessible housing to persons with all variety of disabilities regardless of unit size required.
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<p>6.0</p>	<p>PHA Plan Update</p> <p>(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:</p> <p>BHHC has revised the following Plan elements since its last Annual Plan submission;</p> <p>Local preferences will be continued as is and will not change, rent policies remain the same, community service policy parameters were included in the agency lease and the agency ACOP revised October 2007 ; the agency pet policy has already been implemented.</p> <ul style="list-style-type: none"> • BHHC has revised its Admission and Continued Occupancy Policy (ACOP) and HCVP (Section 8) Administrative Plan to incorporate new HUD program requirements governing the admission of the Public Housing Program and the Housing Choice Voucher Program. • The addition of Project Based Voucher with a site based waiting list and Community Supportive Services was added to the Housing Choice Voucher Program Administrative Plan and will be implemented. The Project Based Vouchers will be allocated to the Hope VI Phase IV Harbor Bluffs Development. • The following Language was incorporated into both the ACOP and the Administrative Plan regarding the agency VAWA Policy; BHHC will not deny admission to any applicant on the basis that the applicant is or has been a victim of domestic violence, or stalking if the applicant otherwise qualifies for assistance or admission. • BHHC has implemented program changes to address the identified deficiencies and strategies list in the current MOA as a part of an ongoing recovery effort to achieve Standard Performer Designation under the PHAS Management Assessment Subsystem and Housing choice voucher SEMAP. • ARRA - American Recovery and Re-Investment Act Stimulus Grant 2009 <p>(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.</p> <p>The Agency Plan for the Benton Harbor Housing Commission can be viewed by contacting the</p> <ul style="list-style-type: none"> • Main administrative office located at 721 Nate Wells Sr. Drive Benton Harbor, MI, <p>Satellite locations Asset Management Project(s)</p> <ul style="list-style-type: none"> • AMP# 1- 250 East Wall Street; Harbor Towers / Scatter Site 10-5 • AMP# 2- 925 Buss Ave., BUSS Development / Scattered Sites 10-7 & 10-9 <p>Interested parties may also view the plan on the agency website @ bhcommission.org.</p> <p>Documents available for public inspection include: See Attachment #7</p> <ul style="list-style-type: none"> • PHA 5-Year and Annual Plan; • Eligibility, Selection and Admissions Policies, including De-concentration and Waiting List Procedures; Revised ACOP- Admission and Continued Occupancy Policy for the (LRPH) Low Rent Public Housing, Tenant Selection, The Administrative Plan for the HCVP Housing Choice Voucher Program (Section 8), Certification of compliance with de-concentration requirements • Financial Resources; Most recent board approved operating budget for the public housing program, • Rent Determination; Public housing rent determination policies, the methodology for setting BHHC flat rents and HCVP payment standards • Operation and Management; Public Hosing management and maintenance policies • Grievance Procedures; Public Housing Grievance Procedures and HCVP Informal Review and Hearing Procedures • Designated Housing for Elderly and Disabled Families; • Community Service and Self-Sufficiency; • Safety and Crime Prevention; • Pet Policy; • Civil Rights Certification; • Fiscal Year Audit; the results of the most recent fiscal year audit. and the response to any findings • Asset Management; • VAWA – Violence Against Women Act Policy • MOA/Recovery Plan
<p>7.0</p>	<p>Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i></p> <p>BHHC implemented Hope VI Project Base Vouchers- the addition of Project Based vouchers with a site based waiting list and Community Supportive Services (signed MOU’s between established community partners and BHHC) will be implemented once the Hope VI Phase IV Harbor Bluffs Development is complete. Twenty-Eight (28) vouchers will be allocated to the Harbor Bluffs Development; the development is located adjacent to the Benton Harbor Housing Commission Administrative Office located at 721 Nate Wells Sr. Drive in the City of Benton Harbor, MI. The implementation of these vouchers will be consistent in helping BHHC meet our Affordable Housing Goals addressing the housing needs of the community BHHC serves.</p>
<p>8.0</p>	<p>Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.</p>

8.1	<p>Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i>, form HUD-50075.1, for each current and open CFP grant and CFFP financing.</p> <p>See Attachment # 1</p>
8.2	<p>Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i>, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.</p> <p>See Attachment # 2</p>
8.3	<p>Capital Fund Financing Program (CFFP).</p> <p><input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.</p>

9.0 Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.

Waiting List Type: Public Housing

	# of families	% of total families	Annual Turnover
Waiting list total	306		
Extremely low income < =30% AMI	236	77%	
Very low income > 30% but < = 50% AMI	64	21%	
Low Income > 50% but < 80% AMI	6	2%	
Families with children	276	77%	
Elderly families	3	1%	
Families with Disabilities	27	14%	
Race/Ethnicity	White 0		
Race/Ethnicity	Hispanic 3		
Race/Ethnicity	Black 292		
Race/Ethnicity	Native American 1		
Race/Ethnicity	Unknown 10		
1BR	50		
2BR	122		
3BR	104		
4BR	30		
5BR	0		

Waiting List Type: HCVP (Section 8)

	# of families	% of total families	Annual Turnover
Waiting list total	284		
Extremely low income < =30% AMI	213	75%	
Very low income > 30% but < = 50% AMI	56	20%	
Low Income > 50% but < 80% AMI	15	5%	
Families with children	261	92%	
Elderly families	9	3%	
Families with Disabilities	14	5%	
Race/Ethnicity	White 1		
Race/Ethnicity	Hispanic 3		
Race/Ethnicity	Black 280		
Race/Ethnicity	Native American 0		
Race/Ethnicity	Unknown 0		
1BR	69		
2BR	100		
3BR	89		
4BR	26		
5BR	0		

9.1

Strategy for Addressing Housing Needs. Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.**

Need: Shortage of affordable housing for all eligible populations

Strategy –

- Maximize the number of affordable units available to BHHC within its current resources by:
- Employing effective maintenance and management policies to minimize the number of public housing units off-line
- Employ effective methodology to help reduce turnover time for vacated public housing units
- Reduce time it takes to renovate public housing units
- Maintain or increase HCVP (Section 8) lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction.
- Maintain or increase HCVP (Section 8) lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration.
- Maintain or increase HCVP (Section 8) lease-up rates by effectively screening HCVP (Section 8) applicants to increase owner acceptance of program.
- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies.

Strategy- Increase the number of affordable housing units by:

- Applying for additional HCVP (Section 8) units should they become available
- Leverage affordable housing resources in the community through the creation of mixed-finance housing
- Pursue housing resources other than public housing or HCVP (Section 8) tenant-based assistance
- Adding project based vouchers with a site based waiting list and community supportive service initiative to help support the residents of Hope VI Phase IV Harbor Bluffs Development
- Build more units, use Youth Build to provide more houses

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

Strategy- Target available assistance to families at or below 30% AMI

- Exceed HUD Federal targeting requirements for families at or below 30% of AMI in public housing
- Employ admissions preferences aimed at families with economical hardships
- Adopt rent policies to support and encourage residents for job readiness and work

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

Strategy- Target available assistance to families at or below 50% AMI

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

Need: Specific Family Types-Families The Elderly

Strategy- Target available assistance to the elderly

- Apply for special-purpose vouchers targeted to the elderly should they become available
- Partnership with Faith-Based Organizations

Need: Specific Family Types-Families with Disabilities

Strategy- Target available assistance to families with disabilities

- Carry out the modifications needed in public housing based on the Section 504 Needs Assessment for Public Housing
- Apply for special-purpose vouchers targeted to families with disabilities should they become available
- Affirmatively market to local non-profit agencies that assist families with disabilities
- Applying for grants that enable BHHC to establish MOU for supportive services and dedicate space within its development to sustain
- Program operations and space within the designated development

Need: Specific Family Types-Race or ethnicities with disproportionate housing needs

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

- Affirmatively market to races/ethnicities show to have disproportionate housing needs

Strategy-Conduct activities to affirmatively further fair housing

- Counsel HCVP (Section 8) tenants as to locations outside of areas of poverty or minority concentration and assist them to locate those units
- Market the HCVP (Section 8) to owners outside of areas of poverty/minority concentrations

Justification/Methodology for BHHC selected strategies

Factors that influenced BHHC's selected strategies it will pursue

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

10.0	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan.</p> <ul style="list-style-type: none"> o BHHC has been able to maintain its mission; viable in the promoting of adequate and affordable housing, economic opportunity and a suitable living environment from discrimination through the utilization of established and newly implemented public housing and HCVP (section 8) policies and procedures. o We are continuing to address public housing vacancies very aggressively and our PHAS scores indicate that our operational and management issues are being positively impacted o Capital Funds are being utilized to provide modernization of BHHC housing stock, to provide decent, safe, in good repair affordable housing to the residents living in the community under the jurisdiction in which BHHC serves. BHHC will meet all of its established goals CFP FY 2008 o BHHC has implemented local preferences to increase the number working families admitted to the program; to improve the community living environment in addition to our modernization efforts o BHHC continues to enforce its policies and procedures especially its Community Service Requirements, Pet policy, de-concentration policy, VAWA, Management Operations, Maintenance Operation, o BHHC will continue to build affordable replacement housing through the Hope VI program, Phase IV Harbor Bluffs was given HCVP (section 8) project base vouchers in addition to community supportive service partnerships o BHHC will continue to meet and accommodate all of our goals and objectives as stated in the MOA <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification"</p> <p>Significant amendment:</p> <p>The Public Housing Authority's (PHA) Definition of Substantial Deviation and Significant Amendment or Modification are as follows:</p> <ul style="list-style-type: none"> • Changes to rent or admissions policies or organization of the waiting list; • Additions of non-emergency work items(items not intended in the current 5-Year Action Plan) or change in use of replacement reserve funds under the Capital Funds; and • Any change with regards to demolition or disposition, designation, homeownership programs or conversion activities.
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11.0	<p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>(g) Challenged Elements</p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p>
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This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. 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, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information

Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory

Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type

Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia

Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan

Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

- (a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.
- (b) Identify where the 5-Year and Annual Plan may be obtained 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 its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.
3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.
4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.
5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.
6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: **1)** development name and number; **2)** designation type; **3)** application status; **4)** date the designation was approved, submitted, or planned for submission, and; **5)** the number of units affected.
7. **Community Service and Self-Sufficiency.** A description of: **(1)** Any programs relating to services and amenities provided or offered to assisted families; **(2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; **(3)** How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**
8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.
10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.
11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.
12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.
13. **Violence Against Women Act (VAWA).** A description of: 1) Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; 2) Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and 3) Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

- (a) **Hope VI or Mixed Finance Modernization or Development.** 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>
- (b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: (1) A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed.
- (c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: 1) A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or

that the public housing agency plans to voluntarily convert; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>

- (d) **Homeownership.** A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.
- (e) **Project-based Vouchers.** If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

- (a) To submit the initial budget for a new grant or CFFP;
- (b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and
- (c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;
2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and
3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at:

<http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm>

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

9.1 Strategy for Addressing Housing Needs. Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

- (a) **Progress in Meeting Mission and Goals.** PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**
- (b) **Significant Amendment and Substantial Deviation/Modification.** PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

- (c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

- (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*
- (b) Form HUD-50070, *Certification for a Drug-Free Workplace (PHAs receiving CFP grants only)*
- (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions (PHAs receiving CFP grants only)*
- (d) Form SF-LLL, *Disclosure of Lobbying Activities (PHAs receiving CFP grants only)*
- (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet (PHAs receiving CFP grants only)*
- (f) Resident Advisory Board (RAB) comments.
- (g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.
- (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.1.
- (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.2.

Attachment # 7 BHHC Five Year and Annual Plan Elements 6.0

BHHC 5-Year and Annual Plan / PHA Plan Elements 24CFR 903.7

1. Eligibility, Selection and Admissions Policies, including De-concentration and Waiting List Procedures; Revised ACOP- Admission and Continued Occupancy Policy for the (LRPH) Low Rent Public Housing, Tenant Selection, The Administrative Plan for the HCVP Housing Choice Voucher Program (Section 8), Certification of compliance with de-concentration requirements

BHHC ACOP Chapter 4 - Admission and Continued Occupancy Policy / Administrative Plan HCV Program

APPLICATIONS, WAITING LIST AND TENANT SELECTION

When a family wishes to reside in public housing, the family must submit an application that provides the PHA with the information needed to determine the family's eligibility. HUD requires the PHA to place all eligible families that apply for public housing on a waiting list. When a unit becomes available, the PHA must select families from the waiting list in accordance with HUD requirements and PHA policies as stated in its Admissions and Continued Occupancy Policy (ACOP) and its annual plan.

The PHA 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 PHA to receive preferential treatment.

HUD regulations require that the PHA 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 PHA will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and PHA policies for taking applications, managing the waiting list and selecting families from the waiting list. The PHA's policies for assigning unit size and making unit offers are contained in Chapter 5. Together, Chapters 4 and 5 of the ACOP comprise the PHA'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 PHA will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how the PHA'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 PHA will use to keep the waiting list current.

Part III: Tenant Selection. This part describes the policies that guide the PHA 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 PHA has the information needed to make a final eligibility determination.

Part IV: Site Base Waiting List. This part describes information on where to apply for the Site-Based Waiting List.

PART I: THE APPLICATION PROCESS

4-I.A. OVERVIEW

This part describes the policies that guide the 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 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 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 PHA.

BHHC Policy

Depending upon the length of time that applicants may need to wait to be housed, BHHC 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, **BHHC** 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 obtain application for Public Housing from the Buss Development and Harbor Towers office(s) and for Hope VI Public Housing from the Keystone Management office(s) during normal business hours; Monday-Wednesday 8:00 A.M. to 5:30 P.M. Thursday 8:00 A.M. to 4:30 P.M., these offices are closed from 12:00-12:30 P.M. daily for lunch, all locations closed on Fridays.

<i>BUSS Development</i>	<i>Harbor Towers</i>	<i>Hope-VI Public Housing/Keystone</i>
<i>925 Buss Ave.</i>	<i>250 East Wall St.</i>	<i>721 Nate Wells Drive</i>
<i>269-927-3544</i>	<i>269-927-3529</i>	<i>269-934-0163</i>

Families may also request by telephone or by mail that an application be sent to the family via first class mail.

Completed applications must be returned to **BHHC** by mail, by fax, or submitted in person during normal business hours. Applications must be complete in order to be accepted by **BHHC** for processing. If an application is incomplete, **BHHC** will notify the family of the additional information required.

4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS FOR HOPE VI

Hope VI / Keystone Management will follow **BHHC**'s established policies and procedures for placing applicants on the waiting list; Public Housing and Site-Based HCVP. 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].

4-I.D. ACCESSIBILITY OF THE APPLICATION PROCESS

The 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 PHA application process.

Disabled Populations [24 CFR 8; PH Occ GB, p. 68]

The 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 PHA must provide an alternate approach that provides equal access to the application process. Chapter 2 provides a full discussion of the 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 PHA's policies related to ensuring access to people with limited English proficiency (LEP).

4-I.E. PLACEMENT ON THE WAITING LIST

The PHA must review each completed application received and make a preliminary assessment of the family's eligibility. The PHA must place on the waiting list families for whom the list is open unless the PHA determines the family to be ineligible. Where the family is determined to be ineligible, the 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

BHHC Policy

If **BHHC** can determine from the information provided that a family is ineligible, the family will not be placed on the waiting list. Where a family is determined to be ineligible, **BHHC** 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

BHHC Policy

BHHC 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 **BHHC** preference(s) and the date and time their complete application is received by **BHHC**.

BHHC 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 PHA 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.

PART II: MANAGING THE WAITING LIST

4-II.A. OVERVIEW

The 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 PHA may structure its waiting list and how families must be treated if they apply for public housing at a PHA that administers more than one assisted housing program.

4-II.B. ORGANIZATION OF THE WAITING LIST

The PHA's public housing waiting list must be organized in such a manner to allow the PHA to accurately identify and select families in the proper order, according to the admissions policies described in this ACOP.

BHHC 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
- 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 PHA offers site-based waiting lists)

The waiting list(s) for HOPE VI – Public Housing and Site Based HCVP will be managed by the Keystone Management Company:
Hope-VI Public Housing/Keystone

721 Nate Wells Drive
269-934-0163

The PHA may adopt one community-wide waiting list or site-based waiting lists. The 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)].

BHHC Policy

BHHC has adopted a site-based waiting list.

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 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)].

BHHC Policy

BHHC will not merge the public housing waiting list with the waiting list for any other program **BHHC** operates.

4-II.C. OPENING AND CLOSING THE WAITING LIST

Closing the Waiting List

The 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 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].

BHHC Policy

BHHC 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 **BHHC** has particular preferences or other criteria that require a specific category of family, **BHHC** may elect to continue to accept applications from these applicants while closing the waiting list to others.

Reopening the Waiting List

If the waiting list has been closed, it may be reopened at any time. The PHA should publish a notice in local newspapers of general circulation, minority media, and other suitable media outlets that the PHA is reopening the waiting list. Such notice must comply with HUD fair housing requirements. The PHA should specify who may apply, and where and when applications will be received.

BHHC Policy

BHHC 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, this information will be contained in the notice. The notice will specify where, when, and how applications are to be received.

BHHC will give public notice by publishing the relevant information in suitable media outlets including,

but not limited to:

Herald Palladium

Benton Spirit

South Bend Newspapers

Local radio Stations

Public Access TV stations

BHHC Web page- bhcommission.org

4-II.D. FAMILY OUTREACH [24 CFR 903.2(d); 24 CFR 903.7(a) and (b)]

The PHA should conduct outreach as necessary to ensure that the PHA has a sufficient number of applicants on the waiting list to fill anticipated vacancies and to assure that the PHA is affirmatively furthering fair housing and complying with the Fair Housing Act.

Because HUD requires the PHA to serve a specified percentage of extremely low income families, the PHA may need to conduct special outreach to ensure that an adequate number of such families apply for public housing.

PHA 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

PHA 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

BHHC Policy

BHHC will monitor the characteristics of the population being served and the characteristics of the population as a whole in **BHHC'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

BHHC Policy

While the family is on the waiting list, the family must inform **BHHC**, 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.

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-II.F. UPDATING THE WAITING LIST

HUD requires the 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 PHA's request for information or updates because of the family member's disability, the 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.

BHHC Policy

The waiting list will be updated as needed to ensure that all applicants and applicant information is current and timely. All **BHHC**'s waiting list will be purged annually.

To update the waiting list, **BHHC** 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 **BHHC** 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 and may be delivered in person, by mail, or by fax. Responses should be postmarked or received by **BHHC** not later than 15 business days from the date of **BHHC**'s letter.

If the family fails to respond within 15 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 15 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 **BHHC** 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 Executive Director may reinstate the family if s/he determines the lack of response was due **BHHC** error, or to circumstances beyond the family's control.

Removal from the Waiting List

BHHC Policy

BHHC will remove applicants from the waiting list if they have requested that their name be removed. In such cases no informal hearing is required.

If **BHHC** 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 **BHHC** 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 **BHHC**'s decision

(see Chapter 14) [24 CFR 960.208(a)].

4-II.G. SITE BASED WAITING LIST

A site-based waiting list is a separate list for a specific site or sites; although it may be centrally administered. A system of site-based list allows applicants to select the development where they will accept unit offers.

The waiting list(s) for HOPE VI – Public Housing and Site Based HCVP will be managed by the Keystone Management Company:
Hope-VI Public Housing/Keystone

721 Nate Wells Drive
269-934-0163

BHHC Policy

All interested applicants must contact the Keystone Management office to obtain an application for the HOPE VI Program Public Housing and HCVP Site-based waiting list. Hope VI / Keystone Management will follow BHHC's established policies and procedures for placing applicants on the waiting list; Public Housing and Site-Based HCVP. 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]. BHHC site-based waiting list is consistent with all applicable civil rights and fair housing laws and regulations

PART III: TENANT SELECTION

4-III.A. OVERVIEW

The PHA must establish tenant selection policies for families being admitted to public housing [24 CFR 960.201(a)]. The PHA must not require any specific income or racial quotas for any developments [24 CFR 903.2(d)]. The PHA 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 PHA 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 PHA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the PHA's selection policies [24 CFR 960.206(e)(2)]. The PHA's policies must be posted any place where the PHA receives applications. The PHA must provide a copy of its tenant selection policies upon request to any applicant or tenant. The PHA may charge the family for providing a copy of its tenant selection policies [24 CFR 960.202(c)(2)].

BHHC Policy

When an applicant or resident family requests a copy of BHHC's tenant selection policies, BHHC will provide copies to them free of charge.

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 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 PHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the 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)].

BHHC Policy

BHHC will use the following local preference:

In order to prevent a concentration of poverty families at or below 30% of the area median income and to bring higher income families into public housing, BHHC will establish a preference for 'working' families, where the head, spouse, cohead, or sole member is employed at least 30 hours per week. Applicants must work at least 30 hours per week. As required by HUD, families where the head and 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)].

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 PHA'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 PHA 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% 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.

BHHC Policy

BHHC 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 PHA 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, cohead, or sole member is a person who is at least 62 years of age. Disabled family means a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403]. The PHA must give elderly and disabled families equal preference in selecting these families for admission to mixed population developments. The PHA 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 PHA 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 PHA may not discriminate against elderly or disabled families that include children (Fair Housing Amendments Act of 1988).

Units Designated for Elderly or Disabled Families [24 CFR 945]

The PHA may designate projects or portions of a public housing project specifically for elderly or disabled families. The PHA 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 affect 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)].

BHHC Policy

BHHC has designated portions of its public housing stock specifically for elderly or disabled families. **BHHC** will give elderly and disabled families equal preference in selecting families for admission to mixed population developments. **BHHC** will 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, **BHHC** 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. **BHHC** will not discriminate against elderly or disabled families that include children; in compliance with the Fair Housing Amendments Act of 1988.

Deconcentration of Poverty and Income-Mixing [24 CFR 903.1 and 903.2]

The PHA'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 PHA's deconcentration policies must be included in its annual plan [24 CFR 903.7(b)].

The PHA'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 PHA with fewer than 100 public housing units; mixed population or developments designated specifically for elderly or disabled families; developments operated by a PHA 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 PHA must comply with the following steps:

Step 1. The PHA must determine the average income of all families residing in all the PHA's covered developments. The PHA may use the median income, instead of average income, provided that the PHA includes a written explanation in its annual plan justifying the use of median income.

BHHC Policy

BHHC will determine the average income of all families in all covered developments on an annual basis.

Step 2. The PHA 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 PHA has the option of adjusting its income analysis for unit size in accordance with procedures prescribed by HUD.

BHHC Policy

BHHC 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 PHA 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).

Step 4. The PHA 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 PHA must include in its admission policy its specific policy to provide for deconcentration of poverty and income mixing.

Depending on local circumstances the PHA'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 PHA in consultation with the residents and the community through the annual plan process to be responsive to local needs and PHA strategic objectives

A family has the sole discretion whether to accept an offer of a unit made under the PHA's deconcentration policy. The PHA must not take any adverse action toward any eligible family for choosing not to accept an offer of a unit under the PHA'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 PHA will be considered to be in compliance with the deconcentration requirement and no further action is required.

BHHC Policy

For developments outside the EIR **BHHC** will take the following actions to provide for deconcentration of poverty and income mixing:

It is the policy of **BHHC** to house families in a manner that will prevent a concentration of poverty families and/or concentration of higher income families in any one development. The specific objective of **BHHC** is to house no less than 40% of its inventory with families that have income at or below 30% of the area median income by public housing development. Also **BHHC** will take actions to ensure that no individual development has a concentration of higher income families in one or more of the developments. To ensure that **BHHC** does not concentrate families with higher income levels, it is the goal of **BHHC** not to house more than 60% of its units in any one development with families whose income exceeds 30% of the area median income. **BHHC** will track the status of family income, by development on a monthly basis by utilizing income reports generated by **BHHC** staff.

To accomplish the de-concentration goals the **BHHC** will take the following actions:

- A. At the beginning of each fiscal year, the **BHHC** will establish a goal for housing 40% of its new admissions with families whose incomes are at or below the area median income. The annual goal will be calculated by taking 40% of the total number of move-ins from the previous fiscal year.
- B. To accomplish the goals of:
 1. Housing not less than 40% of its inventory on an annual basis with families that have incomes at or below 30% of area median income, and
 2. Not housing families with incomes that exceed 30% of the area median income in developments that have 60% or more of the total household living the development with incomes that exceed 30% of the area median income, the **BHHC**'s Resident Selection and

Assignment Plan, provides for the utilization of local preferences with regards to applicant selection from its waiting list.

Order of Selection [24 CFR 960.206(e)]

The PHA system of preferences may select families either according to the date and time of application or by a random selection process.

BHHC Policy

Families will be selected from the waiting list based on 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 **BHHC**.

When selecting applicants from the waiting list, **BHHC** will match the characteristics of the available unit (unit size, accessibility features, unit type) to the applicants on the waiting lists. **BHHC** 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 **BHHC** Policy.

4-III.C. NOTIFICATION OF SELECTION

When the family has been selected from the waiting list, the PHA must notify the family.

BHHC Policy

BHHC will notify the family 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 **BHHC** 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 **BHHC** from making an eligibility determination; therefore no informal hearing will be offered.

4-III.D. THE APPLICATION INTERVIEW

HUD recommends that the 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.

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)].

BHHC Policy

Families selected from the waiting list are required to participate in an eligibility interview.

The head of household and the spouse/cohead will be strongly encouraged to attend the interview together. However, either the head of household or the spouse/cohead may attend the interview on behalf of the family. Verification of information pertaining to adult members of the household not present at the interview will not begin until signed release forms are returned to **BHHC**.

The interview will be conducted only if the head of household or spouse/cohead provides appropriate documentation of legal identity (Chapter 7 provides a discussion of proper documentation of legal identity). If the family representative does not provide the required documentation, the appointment may be rescheduled when the proper documents have been obtained.

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, **BHHC** will proceed with the interview. If **BHHC** 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, **BHHC** 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.

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, **BHHC** will provide translation services in accordance with the **BHHC**'s LEP plan.

If the family is unable to attend a scheduled interview, the family should contact **BHHC** in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend a scheduled interview, **BHHC** will send another notification letter with a new interview appointment time. Applicants who fail to attend two scheduled interviews without **BHHC**'s approval will have their applications made inactive based on the family's failure to supply information needed to determine eligibility. The 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 **BHHC** from making an eligibility determination; therefore **BHHC** will not offer an informal hearing.

4-III.E. FINAL ELIGIBILITY DETERMINATION [24 CFR 960.208]

The PHA must verify all information provided by the family (see Chapter 7). Based on verified information related to the eligibility requirements, including PHA suitability standards, the PHA 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)].

BHHC Policy

BHHC 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 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)].

BHHC Policy

If **BHHC** determines that the family is ineligible, **BHHC** 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 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 PHA can move to deny the application. See Section 3-III.G for the PHA's policy regarding such circumstances.

2. Financial Resources; Most recent board approved operating budget for the public housing program,

Please see Attached Budget / BHHC FY 2008

3. Rent Determination; Public housing rent determination policies, the methodology for setting BHHC flat rents and HCVP payment standards

**BHHC ACOP Chapter 6 - Admission and Continued Occupancy Policy / Chapter 6 - Administrative Plan HCV Program
INCOME AND RENT DETERMINATIONS**

[24 CFR Part 5, Subparts E and F; 24 CFR 960, Subpart C]

INTRODUCTION

A family's income determines eligibility for assistance and is also used to calculate the family's rent payment. The PHA will use the policies and methods described in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under the regulations. This chapter describes HUD regulations and PHA 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 PHA policies for calculating annual income are found in Part I.

Part II: Adjusted Income. Once annual income has been established HUD regulations require the PHA to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and PHA 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].

BHHC Policy

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 an 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

BHHC 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 **BHHC** 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].

BHHC Policy

If a child has been placed in foster care, **BHHC** 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

BHHC 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

BHHC 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, **BHHC** 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

BHHC 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 PHA 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.

Caretakers for a Child

BHHC Policy

If neither a parent nor a designated guardian remains in a household receiving assistance, **BHHC** 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 **BHHC** 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 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 PHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the PHA to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected
- 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 PHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

BHHC Policy

When **BHHC** cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), **BHHC** 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 **BHHC** to show why the historic pattern does not represent the family's anticipated income.

Known Changes in Income

If **BHHC** 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 \$6/hour will begin to receive \$6.25/hour in the eighth week after the effective date of the reexamination. In such a case **BHHC** would calculate annual income as follows: $(\$6/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}) + (\$6.25 \times 40 \text{ hours} \times 45 \text{ weeks})$.

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 **BHHC** 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 **BHHC**'s policy on reexaminations does not require interim reexaminations for other types of changes.

Using Up-Front Income Verification (EIV) to Project Income

HUD strongly recommends the use of up-front income verification (EIV). EIV is "the verification of income, before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a large number of individuals" [PIH Notice 2004-01 Verification Guidance ("VG"), p. 7]. HUD allows PHAs to use EIV information in conjunction with family-provided documents to anticipate income.

BHHC Policy

BHHC procedures for anticipating annual income will include the use of EIV methods approved by HUD in conjunction with family-provided documents dated within the last 60 days of **BHHC** interview date.

BHHC will follow "HUD Guidelines for Projecting Annual Income When Up-Front Income Verification (EIV) Data Is Available" in handling differences between EIV and family-provided income data. The guidelines depend on whether a difference is substantial or not. HUD defines *substantial difference* as a difference of \$200 or more per month.

No Substantial Difference. If EIV information for a particular income source differs from the information provided by a family by less than \$200 per month, **BHHC** will follow these guidelines:

If the EIV figure is less than the family's figure, **BHHC** will use the family's information.

If the EIV figure is more than the family's figure, **BHHC** will use the EIV data unless the family provides documentation of a change in circumstances to explain the discrepancy (e.g., a reduction in work hours). Upon receipt of acceptable family-provided documentation of a change in circumstances, the PHA will use the family-provided information.

Substantial Difference. If EIV information for a particular income source differs from the information provided by a family by \$200 or more per month, **BHHC** will follow these guidelines:

BHHC will request written third-party verification from the discrepant income source in accordance with 24 CFR 5.236(b)(3)(i).

When **BHHC** cannot readily anticipate income (e.g., in cases of seasonal employment, unstable working hours, or suspected fraud), **BHHC** will review historical income data for patterns of employment, paid benefits, and receipt of other income.

BHHC will analyze all EIV, third-party, and family-provided data and attempt to resolve the income discrepancy.

BHHC will use the most current verified income data and, if appropriate, historical income data to calculate anticipated 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.

BHHC Policy

For persons who regularly receive bonuses or commissions, **BHHC** will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, **BHHC** will use the prior year amounts. In either case the family may provide, and **BHHC** 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, **BHHC** 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.

BHHC 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.

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 **BHHC**, 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 **BHHC**'s governing board. No resident may receive more than one such stipend during the same period of time.

State and Local Employment Training Program

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)].

BHHC Policy

BHHC 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].

BHHC 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, **BHHC** 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

BHHC'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.

BHHC 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]

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."

BHHC Policy

BHHC 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.

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.

BHHC 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.

BHHC Policy

During the 48-month eligibility period, **BHHC** 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).

Individual Savings Accounts [24 CFR 960.255(d)]

BHHC Policy

BHHC 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".

BHHC Policy

To determine business expenses that may be deducted from gross income, **BHHC** 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 PHA to deduct from gross income expenses for business expansion.

BHHC 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 PHA to deduct from gross income the amortization of capital indebtedness.

BHHC Policy

Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means **BHHC** 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 PHA 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.

BHHC 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, **BHHC** 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

BHHC 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 PHA include in annual income the "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 PHA 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 PHA policies related to each type of asset.

General Policies

Income from Assets

The PHA 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 PHA 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 PHA 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 PHA can take into consideration past rental income along with the prospects of obtaining a new tenant.

BHHC 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 **BHHC** 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 PHA to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth (e.g., the amount a buyer would pay for real estate or the balance 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.

BHHC 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.

Lump-Sum Receipts

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, Veteran benefits, 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) [RHIP 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)]

When net family assets are \$5,000 or less, the PHA 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 PHA 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 passbook savings rate.

Determining Actual Anticipated Income from Assets

It may or may not be necessary for the PHA 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 plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement fund.

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."

BHHC Policy

If an asset is owned by more than one person and any family member has unrestricted access to the asset, **BHHC** 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, **BHHC** will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, **BHHC** 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 PHA 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 PHA may set a threshold below which assets disposed of for less than fair market value will not be counted.

BHHC Policy

BHHC 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.

BHHC 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

BHHC 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. **BHHC** may verify the value of the assets disposed of if other information available to **BHHC** 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.

BHHC Policy

In determining the value of a checking account, **BHHC** will use the average monthly balance for the last six months.

In determining the value of a savings account, **BHHC** will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, **BHHC** 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.

BHHC Policy

In determining the market value of an investment account, **BHHC** 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), **BHHC** 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.

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. 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. 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.

BHHC 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 **BHHC** 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. 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 PHA must know whether the money is accessible before retirement.

While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset.

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, 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.

Personal Property

Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset.

BHHC Policy

In determining the value of personal property held as an investment, **BHHC** will use the family's estimate of the value.

BHHC 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)].

BHHC 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. 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)]

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)].

BHHC Policy

When a delayed-start payment is received and reported during the period in which **BHHC** is processing an annual reexamination, **BHHC** 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 **BHHC**. See the chapter on reexaminations for information about a family's obligation to report lump-sum receipts between annual reexaminations.

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)]
BHHC Policy
BHHC 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.
- 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 received as a result of delays in processing VA Disability payments [24 CFR 5.609(b)(4)]
- Temporary Income from U.S. Census Bureau – Pursuant to Section 24 CFR 5.609(c)(9) PHAs are to exclude temporary income payments from the U. S. Census Bureau, defined as employment lasting no longer than 180 days and not culminating in permanent employment. Employer verification of both the employment dates and income amount is to be maintained in the tenant file.
- IRS Stimulus Payments - During annual and or interim reexamination of family income pursuant to 24 CFR 960.257 for public housing PHAs are to exclude all IRS economic stimulus payments. Tax rebates are considered “nonrecurring income” as defined at 24 CFR 5.609(c)(9). Program administrators are not to include the amount of the economic stimulus payment when determining a family's annual income. Therefore, the stimulus payment will not affect a family's eligibility for a level of HUD rental assistance benefits.
- Kin-GAP payments and similar state guardianship payments – During annual and or interim reexamination of family income pursuant to 24 CFR 960.257 for public housing PHAs are to exclude Kin-GAP payments and similar guardianship payments. Retroactive adjustments may be made in accordance with a PHA's policy.

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 PHA 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 PHA must include in annual income “imputed” welfare income. The PHA must request that the welfare agency inform the PHA when the benefits of a public housing resident are reduced. The imputed income is the amount the family would have received if the family had not been sanctioned. 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 PHA'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 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 PHA must count alimony or child support amounts awarded as part of a divorce or separation agreement.

BHHC Policy

BHHC will count court-awarded amounts for alimony and child support unless **BHHC** 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.

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 PHA 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)].

BHHC 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 **BHHC**. For contributions that may vary from month to month (e.g., utility payments), **BHHC** 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) that have not been discussed earlier in this chapter include the following:

- Reimbursement of medical expenses [24 CFR 5.609(c)(4)]

Rent Calculations Covered By PIH 2005-37

a. Annual Income

In calculating annual income for a family, the low-income subsidy received to assist low-income persons in paying for their Medicare prescription drug plan costs must be excluded as annual income for the purpose of calculating any rent or assistance.

b. Adjusted Income

The amount of unreimbursed out-of-pocket expenses for prescription drugs must be treated as a standard medical deduction when determining the family's medical expenses deduction. PHAs, Owners and Management Agents must follow the guidance on medical expenses found in HUD Handbook 4350.3 REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*, the *Public Housing Occupancy Guidebook*, the *Housing Choice Voucher Program Guidebook* and the regulations at 24 CFR 5.609(c)(4) and 5.611(a)(3).

Persons with a Medicare prescription drug plan may be required to pay a premium up to \$37 and this premium will be counted as a medical deduction. However, many of those receiving the low-income subsidy will not be required to pay a premium.

Not all prescription drugs are covered under the Medicare prescription drug plans; therefore, a person may be paying full price for some prescription drugs and a reduced amount for other prescription drugs.

The standard medical deduction as described at 24 CFR 5.609(c)(4) and 5.611(a)(3) continues to be the sum of allowable medical expenses that exceed 3 percent of annual income.

- The full amount of student financial assistance paid directly to the student or to the educational institution [24 CFR 5.609(c)(6)], except that in accordance with Section 224 of the FY 2005 Appropriations Act, the portion of any athletic scholarship assistance available for housing costs must be included in annual income [PIH Notice 2005-16].

BHHC 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)]. 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) 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))
 - (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 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)
 - (r) 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)
 - (t) Allowances, Tax Rebates under the Economic Stimulus Act of 2008
 - (u) Allowances, Kin-GAP Pursuant to 24 CFR 5.609(a)(1)and(c)(2)
 - (v) Allowances, temporary employment by U.S. Census Bureau Pursuant to [24 CFR 5.609(c)(9)]
 - (w) Allowances, Lump sum payment received as a result of delays in processing VA Disability payments Pursuant to [24 CFR 5.609(b)(4)]

PART II: ADJUSTED INCOME

6-II.A. INTRODUCTION

Overview

HUD regulations require PHAs to deduct from annual income any of four 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 (PHA) 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

BHHC Policy

Generally, **BHHC** 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), **BHHC** will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, **BHHC** 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. **BHHC** may require the family to provide documentation of payments made in the preceding year.

6-II.B. DEPENDENT DEDUCTION

A deduction of \$480 is taken 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.”

BHHC Policy

The most current IRS Publication 502, *Medical and Dental Expenses*, will be used 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

BHHC 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, **BHHC** 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.

BHHC 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, **BHHC** 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 **BHHC** 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.

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.

HUD advises PHAs to further define and describe auxiliary apparatus [VG, p. 30].

Eligible Auxiliary Apparatus

BHHC 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.

BHHC 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, **BHHC** 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.

BHHC Policy

BHHC determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, **BHHC** will collect information from organizations that provide services and support to persons with disabilities. A family may present, and **BHHC** 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

BHHC 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, **BHHC** 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

BHHC 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, **BHHC** 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

BHHC 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 **BHHC**.

Furthering Education

BHHC 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

BHHC 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 PHA 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.

BHHC 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, **BHHC** 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 PHA 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

BHHC Policy

For school-age children, 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, **BHHC** 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.

BHHC 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, **BHHC** will use the schedule of child care costs from the local welfare agency. Families may present, and **BHHC** 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 PHA 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.

BHHC Policy

The PHA 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 PHA.

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 PHA

The PHA 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]

BHHC Policy

Welfare rent does not apply in this locality.

Minimum Rent [24 CFR 5.630]

BHHC Policy

The minimum rent for this locality is \$50.00.

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 PHA, 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 PHA's minimum rent and rent choice policies still apply to affected families. Utility allowances are applied to PHA 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.

BHHC Policy

BHHC chooses not to adopt optional changes to income-based 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 PHA to pay the reimbursement to the family or directly to the utility provider.

BHHC Policy

BHHC will make utility reimbursements to the family.

6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]

BHHC Policy

The financial hardship rules described below will apply in this jurisdiction because the PHA has established a minimum rent of \$50.00.

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 PHA 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.

BHHC 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.

BHHC 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.

BHHC 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 PHA.

BHHC Policy

The PHA has not established any additional hardship criteria.

Implementation of Hardship Exemption

Determination of Hardship

When a family requests a financial hardship exemption, the PHA must suspend the minimum rent requirement beginning the first of the month following the family’s request.

The PHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

BHHC Policy

BHHC 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.

BHHC 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 PHA 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	

BHHC 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.

BHHC will make the determination of hardship within 30 calendar days.

No Financial Hardship

If the PHA determines there is no financial hardship, the PHA will reinstate the minimum rent and require the family to repay the amounts suspended.

For procedures pertaining to grievance hearing requests based upon the PHA's denial of a hardship exemption, see Chapter 14, Grievances and Appeals.

BHHC Policy

BHHC will require the family to repay the suspended amount within 30 calendar days of BHHC's notice that a hardship exemption has not been granted.

Temporary Hardship

If the PHA determines that a qualifying financial hardship is temporary, the PHA 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 PHA the amounts suspended. HUD requires the PHA to offer a reasonable repayment agreement, on terms and conditions established by the PHA. The PHA 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 PHA's denial of a hardship exemption, see Chapter 14, Grievances and Appeals.

BHHC Policy

BHHC will enter into a repayment agreement in accordance with BHHC's repayment agreement policy (see Chapter 16).

Long-Term Hardship

If the PHA determines that the financial hardship is long-term, the PHA 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.

BHHC 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 PHA 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 PHA must review its schedule of utility allowances each year. Between annual reviews, the PHA 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 PHA's utility allowance schedule [24 CFR 960.253(c)(3)].

BHHC Policy

Unless BHHC 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 PHA must prorate the assistance provided to a mixed family. The PHA 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 PHA must:

- (1) Subtract the TTP from a 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 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.

BHHC 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 PHA 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 PHA 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 PHA must document that flat rents were offered to families under the methods used to determine flat rents for the PHA.

BHHC Policy

The annual PHA offer to a family of the choice between flat and income-based rent will be conducted upon admission and upon each subsequent annual reexamination.

BHHC 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.

BHHC must provide sufficient information for families to make an informed choice. This information must include **BHHC'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 **BHHC** will be 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 PHA determines that a financial hardship exists, the PHA must immediately allow the family to switch from flat rent to the income-based rent.

BHHC Policy

Upon determination by **BHHC** that a financial hardship exists, **BHHC** 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 PHA to be appropriate

BHHC Policy

BHHC 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 in Flat Rents

BHHC 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].

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 family currently paying flat rent that previously qualified for the EID while paying income-based rent and is currently within their 48 month period would have the 12 cumulative months of full (100 percent) and phase-in (50 percent) exclusion 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 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.

HCV Program Payment Standards

16-II.B. PAYMENT STANDARDS [24 CFR 982.503; HCV GB, Chapter 7]

The payment standard sets the maximum subsidy payment a family can receive from the PHA each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD. FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area. For most jurisdictions FMRs are set at the 40th percentile of rents in the market area.

The PHA must establish a payment standard schedule that establishes payment standard amounts for each FMR area within the PHA's jurisdiction, and for each unit size within each of the FMR areas. For each unit size, the PHA may establish a single payment standard amount for the whole FMR area, or may set different payment standards for different parts of the FMR area. Unless HUD grants an exception, the PHA is required to establish a payment standard within a "basic range" established by HUD – between 90 and 110 percent of the published FMR for each unit size.

Updating Payment Standards

When HUD updates its FMRs, the PHA must update its payment standards if the standards are no longer within the basic range [24 CFR 982.503(b)]. HUD may require the PHA to make further adjustments if it determines that rent burdens for assisted families in the PHA's jurisdiction are unacceptably high 24 CFR 982.503(g).

BHHC Policy

BHHC will review the appropriateness of the payment standards on an annual basis when the new FMR is published. In addition to ensuring the payment standards are always within the "basic range" BHHC will consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

Funding Availability: BHHC will review the budget to determine the impact projected subsidy adjustments will have on funding available for the program and the number of families served. BHHC will compare the number of families who could be served under revised payment standard amounts with the number assisted under current payment standard amounts.

Rent Burden of Participating Families: Rent burden will be determined by identifying the percentage of families, for each unit size, that are paying more than 30 percent of their monthly adjusted income as the family share. When 40 percent or more of families, for any given unit size, are paying more than 30 percent of adjusted monthly income as the family share, BHHC will consider increasing the payment standard. In evaluating rent burdens, the PHA will not include families renting a larger unit than their family unit size.

Quality of Units Selected: BHHC will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are only made when needed to reach the mid-range of the market.

Changes in Rent to Owner: BHHC may review a sample of the units to determine how often owners are increasing or decreasing rents and the average percent of increases/decreases by bedroom size.

Unit Availability: BHHC will review the availability of units for each unit size, particularly in areas with low concentrations of poor and minority families.

Lease-up Time and Success Rate: BHHC will consider the percentage of families that are unable to locate suitable housing before the voucher expires and whether families are leaving the jurisdiction to find affordable housing.

Changes to payment standard amounts will be effective on December 1st of every year unless, based on the proposed FMRs, it appears that one or more of BHHC's current payment standard amounts will be outside the basic range when the final FMRs are published. In that case, BHHC's payment standards will be effective October 1st instead of December 1st. If BHHC has already processed reexaminations that will be effective on or after October 1st, and the effective date of the payment standards is October 1st, BHHC will make retroactive adjustments to any such reexaminations if the new payment standard amount is higher than the one used by BHHC at the time the reexamination was originally processed.

Exception Payment Standards [982.503(c)]

The PHA must request HUD approval to establish payment standards that are higher than the basic range. At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the FMR area. HUD may approve an exception payment standard amount (in accordance with program requirements) for all units, or for all units of a given size, leased by program families in the exception area. Any PHA with jurisdiction in the exception area may use the HUD-approved exception payment standard amount. The total population of all HUD-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area.

Unit-by-Unit Exceptions [24 CFR 982.503(c)(2)(ii)]

Unit-by-unit exceptions to the PHA's payment standards generally are not permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. (See Chapter 2 for a discussion of reasonable accommodations.) This type of exception does not affect the PHA's payment standard schedule.

When needed as a reasonable accommodation, the PHA may make an exception to the payment standard without HUD approval if the exception amount does not exceed 110 percent of the applicable FMR for the unit size [HCV GB 7-9]. The PHA may request HUD approval for an exception to the payment standard for a particular family if the required amount falls between 110 and 120 percent of the FMR.

BHHC Policy

A family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the exception. In order to approve an exception, or request an exception from HUD, BHHC must determine that:

- There is a shortage of affordable units that would be appropriate for the family;
- The family's TTP would otherwise exceed 40 percent of adjusted monthly income; and
- The rent for the unit is reasonable.

"Success Rate" Payment Standard Amounts [24 CFR 982.503(e)]

If a substantial percentage of families have difficulty finding a suitable unit, the PHA may request a "success rate payment standard" that applies to the entire jurisdiction. If approved by HUD, a success rate payment standard allows the PHA to set its payment standards at 90-110 percent of a higher FMR (the 50th, rather than the 40th percentile FMR). To support the request, the PHA must demonstrate that during the most recent 6-month period for which information is available:

- Fewer than 75 percent of families who were issued vouchers became participants;
- The PHA had established payment standards for all unit sizes, and for the entire jurisdiction, at 110 percent of the published FMR; and
- The PHA had a policy of allowing voucher holders who made sustained efforts to locate units at least 90 days to search for a unit.

Although HUD approves the success rate payment standard for all unit sizes in the FMR area, the PHA may choose to adjust the payment standard for only some unit sizes in all, or a designated part, of the PHA's jurisdiction within the FMR area.

Decreases in the Payment Standard Below the Basic Range [24 CFR 982.503(d)]

The PHA must request HUD approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range. HUD will not approve a lower payment standard if the family share for more than 40 percent of program participants exceeds 30 percent of adjusted monthly income.

16-IL.C. UTILITY ALLOWANCES [24 CFR 982.517]

A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. The PHA must maintain a utility allowance schedule for (1) all tenant-paid utilities, (2) the cost of tenant-supplied refrigerators and ranges, and (3) other tenant-paid housing services such as trash collection.

The utility allowance schedule must be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the PHA must use normal patterns of consumption for the community as a whole, and current utility rates.

The utility allowance must include the utilities and services that are necessary in the locality to provide housing that complies with housing quality standards. Costs for telephone, cable/satellite television, and internet services are not included in the utility allowance schedule.

In the utility allowance schedule, the PHA must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection; other electric; cost of tenant-supplied refrigerator; cost of tenant-supplied range; and other specified housing services.

The cost of each utility and housing service must be stated separately by unit size and type. Chapter 18 of the *HCV Guidebook* provides detailed guidance to the PHA about establishing utility allowance schedules.

Air Conditioning

An allowance for air-conditioning must be provided when the majority of housing units in the market have central air-conditioning or are wired for tenant-installed air conditioners.

BHHC Policy

BHHC has included an allowance for air-conditioning in its schedule. Central air-conditioning or a portable air conditioner must be present in a unit before BHHC will apply this allowance to a family's rent and subsidy calculations.

Reasonable Accommodation

HCV program regulations require a PHA to approve a utility allowance amount higher than shown on the PHA's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, the PHA will approve an allowance for air-conditioning, even if the PHA has determined that an allowance for air-conditioning generally is not needed (See Chapter 2 for policies regarding the request and approval of reasonable accommodations).

Utility Allowance Revisions

The PHA must review its schedule of utility allowances each year, and must revise the schedule if there has been a change of 10 percent or more in any utility rate since the last time the allowance for that utility was revised.

The PHA must maintain information supporting its annual review of utility allowance and any revisions made in its utility allowance schedule.

4. Operation and Management; Public Housing Management and Maintenance Policies

BHHC Standard Operating Procedures /Policy and Procedures Manual

The goals and objectives of the BHHC maintenance department are to maintain each and every development in a condition equal to or greater than UPCS requirements, to meet and exceed all maintenance related indicators, and to properly utilize the existing staff with a reasonable amount of overtime, within budget and on schedule.

The Benton Harbor Housing Commission's strategy for meeting the day-to-day maintenance needs of the properties is to assign specific skilled-set maintenance staff to each development. The assignment of maintenance staff to specific locations will be at the discretion of the Executive Director, or his/her designee. The maintenance staff will answer directly to the Maintenance Supervisor.

BHHC has developed a Preventative Maintenance schedule for each development that includes a cyclical schedule for the prevention and/or the eradication of pest infestation, including cockroaches.

5. Grievance Procedures; Public Housing Grievance Procedures and HCVP Informal Review and Hearing Procedures

BHHC ACOP Chapter 14 -Admission and Continued Occupancy Policy / Chapter 14 -Administrative Plan HCV Program GRIEVANCES AND APPEALS

INTRODUCTION

This chapter discusses grievances and appeals pertaining to 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 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

14-1A. OVERVIEW

When the 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 PHA policies necessary to respond to applicant appeals through the informal hearing process.

14-1B. 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 in the PHA grievance procedure [24 CFR 966.53(a) and PH Occ GB, p. 58].

Informal hearings provide the applicant a means to hear the details of the reasons for rejection, and an opportunity to present evidence to the contrary if available, and to claim mitigating circumstances if possible.

Use of Informal Hearing Process

While the PHA must offer the opportunity of an informal hearing to applicants who have been determined as ineligible for admission, the PHA could make the informal hearing process available to applicants who wish to dispute other PHA actions that adversely affect them.

BHHC Policy

BHHC will only offer informal hearings to applicants for the purpose of disputing denials of admission.

Notice of Denial [24 CFR 960.208(a)]

The 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 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.

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.

Scheduling an Informal Hearing

BHHC Policy

A request for an informal hearing must be made in writing and delivered to BHHC 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 BHHC notification of denial of admission. Except as provided in Section 3-III.F, BHHC will schedule and send written notice of the informal hearing within 10 business days of the family's request.

Conducting an Informal Hearing [PH Occ GB, p. 58]

BHHC Policy

The informal hearing will be conducted by a person other than the one who made 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 BHHC.

The person conducting the informal hearing will make a recommendation to BHHC, but BHHC is responsible for making the final decision as to whether admission should be granted or denied.

Informal Hearing Decision [PH Occ GB, p. 58]

BHHC Policy

BHHC will notify the applicant of BHHC's final decision, including a brief statement of the reasons for the final decision. In rendering a decision, BHHC 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 BHHC 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. BHHC 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, BHHC will uphold the decision to deny admission.

If the facts prove the grounds for denial, and the denial is discretionary, BHHC will consider the recommendation of the person conducting the informal hearing in making the final decision whether to deny admission.

BHHC 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 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 PHA must consider such accommodations. The 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 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 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 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.

United States Citizenship and Immigration Services Appeal Process [24 CFR 5.514(e)]

When the PHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the 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 PHA with a copy of the written request for appeal and proof of mailing.

BHHC Policy

BHHC will notify the family in writing of the results of the USCIS secondary verification within 10 business days of receiving the results.

The family must provide BHHC with a copy of the written request for appeal and proof of mailing within 10 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 BHHC, of its decision. When the USCIS notifies BHHC of the decision, BHHC must notify the family of its right to request an informal hearing.

BHHC Policy

BHHC will send written notice to the family of its right to request an informal hearing within 10 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 PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the 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 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 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.

BHHC 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 BHHC 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 BHHC, and to confront and cross-examine all witnesses on whose testimony or information BHHC 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 arrange for an interpreter to attend the hearing, at the expense of the family, or the PHA, as may be agreed upon by the two parties. If the family does not arrange for their own interpreter, the PHA is still obligated to provide oral translation services in accordance with its LEP Plan.

Recording of the Hearing

The family is entitled to have the hearing recorded by audiotape. The PHA may, but is not required to provide a transcript of the hearing.

BHHC Policy

BHHC will not provide a transcript of an audio taped informal hearing.

Hearing Decision

The 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 PHA must retain for a minimum of 5 years the following documents that may have been submitted to the PHA by the family, or provided to the PHA as part of the USCIS appeal or the 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 PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the 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 PHA action or failure to act involving the lease or PHA policies which adversely affect their rights, duties, welfare, or status. The PHA grievance procedure must be included in, or incorporated by reference in, the lease.

BHHC Policy

BHHC grievance procedure will be incorporated by reference in the tenant lease.

The PHA must provide at least 30 days notice to tenants and resident organizations setting forth proposed changes in the PHA grievance procedure, and providing an opportunity to present written comments. Comments submitted must be considered by the PHA before adoption of any grievance procedure changes by the PHA.

BHHC Policy

Residents and resident organizations will have 30 calendar days from the date they are notified by BHHC of any proposed changes in BHHC grievance procedure, to submit written comments to BHHC.

BHHC 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 PHA action or failure to act in accordance with the individual tenant’s lease or PHA regulations which adversely affect the individual tenant’s rights, duties, welfare or status
- **Complainant** – any tenant whose grievance is presented to the 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
- **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 PHA 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** – a person/panel selected in accordance with HUD regulations to hear grievances and render a decision 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 PHA 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

14-III.C. APPLICABILITY [24 CFR 966.51]

Potential grievances could address most aspects of a 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 PHA. It is not applicable to disputes between tenants not involving the PHA. 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 PHA.

If HUD has issued a due process determination, a PHA may exclude from the PHA 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 PHA
- 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.

If HUD has issued a due process determination, the PHA may evict through the state/local judicial eviction procedures. In this case, the PHA is not required to provide the opportunity for a hearing under the PHA’s grievance procedure as described above.

BHHC Policy

BHHC is not located in a due process state, therefore it must grant opportunity for grievance hearings for all lease terminations, regardless of cause.

See Chapter 13 for related policies on the content of termination notices.

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 PHA office or to the office of the project in which the complainant resides so that the grievance may be discussed informally and settled without a hearing.

BHHC Policy

BHHC will accept requests for an informal settlement of a grievance either orally or in writing, to BHHC office within 10 business days of the grievable event. Within 10 business days of receipt of the request BHHC 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, BHHC 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 BHHC'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.

BHHC Policy

BHHC will prepare a summary of the informal settlement within 5 business days; one copy to be given to the tenant and one copy to be retained in BHHC'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.

BHHC Policy

The resident must submit a written request for a grievance hearing to BHHC within 5 business days of the tenant's receipt of the summary of the informal settlement.

If the complainant does not request a hearing, BHHC'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 BHHC's action in disposing of the complaint in an appropriate judicial proceeding [24 CFR 966.55(c)].

Escrow Deposits [24 CFR 966.55(e)]

Before a hearing is scheduled in any grievance involving the amount of rent that the PHA claims is due, the family must pay an escrow deposit to the PHA. When a family is required to make an escrow deposit, the amount is the amount of rent the PHA 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 PHA 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 PHA 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 PHA's disposition of the grievance in any appropriate judicial proceeding.

BHHC Policy

BHHC will not waive the escrow requirement for grievances involving rent amounts except where required to do so by regulation.

Scheduling of Hearings [24 CFR 966.55(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 PHA. A written notification specifying the time, place and the procedures governing the hearing must be delivered to the complainant and the appropriate PHA official.

BHHC Policy

Within 10 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 BHHC.

The PHA may wish to permit the tenant to request to reschedule a hearing for good cause.

BHHC 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, BHHC may request documentation of the "good cause" prior to rescheduling the hearing.

Expedited Grievance Procedure [24 CFR 966.55(g)]

The 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 PHA, 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 PHA may adopt special procedures concerning expedited hearings, including provisions for expedited notice or scheduling, or provisions for expedited decision on the grievance.

BHHC Policy

BHHC will follow expedited grievance procedures 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 BHHC, or any drug-related criminal activity on or near such premises.

Such procedures will provide for an expedited notice of hearing request, an expedited scheduling of the hearing, and for an expedited decision on the grievance. The tenant will have 3 business days to make their hearing request. The hearing officer will have 3 business days to schedule the hearing, and 3 business days to render a decision. All other aspects of the expedited grievance process shall be the same as for other grievances.

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 PHA, other than the person who made or approved the PHA action under review, or a subordinate of such person.

BHHC Policy

BHHC grievance hearings will be conducted by a panel. BHHC has designated the following departments to serve as hearing officers:

- BHHC Quality Control Coordinator
- BHHC Housing Inspector
- Hope VI Case Manager
- One Resident Advisory Member

BHHC Policy

BHHC 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.

BHHC will consult with resident organizations before a Resident Advisory Member is appointed as a hearing officer or hearing panel member. Comments from the resident organizations will be considered before making the appointment.

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 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 PHA does not make the document available for examination upon request by the complainant, the PHA may not rely on such document at the grievance hearing.

BHHC 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 BHHC 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 as the tenant's representative and to have such person make statements on the tenant's behalf.

BHHC Policy

Hearings may be attended by the following applicable persons:

- A BHHC representative(s) and any witnesses for the BHHC
- The tenant and any witnesses for the tenant
- The tenant's counsel or other representative
- Any other person approved by BHHC 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 BHHC or project management, and to confront and cross-examine all witnesses upon whose testimony or information BHHC or project management relies.

- A decision based solely and exclusively upon the facts presented at the hearing.

Decision without Hearing [24 CFR 966.56(c)]

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.

Failure to Appear [24 CFR 966.56(d)]

If the complainant or the PHA fails to appear at a scheduled hearing, the hearing officer/panel may make a determination to postpone the hearing for 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 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 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.

BHHC 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 BHHC 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(e), (f), and (g)]

At the hearing, the complainant must first make a showing of an entitlement to the relief sought and thereafter the PHA must sustain the burden of justifying the PHA action or failure to act against which the complaint is directed [24 CFR 966.56(e)].

The hearing must be conducted informally by the hearing officer/panel. The 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 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)].

BHHC 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 PHA. 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 BHHC fails to comply with the discovery requirements (providing the tenant with the opportunity to examine BHHC documents prior to the grievance hearing), the hearing officer will refuse to admit such evidence.

Other than the failure of BHHC to comply with discovery requirements, the hearing officer has the authority to overrule any objections to evidence.

The hearing officer/panel must require BHHC, 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)].

The complainant or the PHA 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(g)].

BHHC Policy

If the complainant would like BHHC to record the proceedings by audiotape, the request must be made to BHHC by 12:00 p.m. on the business day prior to the hearing.

BHHC will consider that an audio tape recording of the proceedings is a transcript.

Accommodations of Persons with Disabilities [24 CFR 966.56(h)]

The 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 PHA's responsibilities pertaining to reasonable accommodation.

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 tenant and the PHA. The PHA must retain a copy of the decision in the tenant's folder. A copy of the decision, with all names and identifying references deleted, must also be maintained on file by the PHA and made available for inspection by a prospective complainant, his/her representative, or the hearing officer/panel [24 CFR 966.57(a)].

BHHC Policy

In rendering a decision, the hearing officer will consider the following matters:

BHHC Notice to the Family: The hearing officer will determine if the reasons for BHHC'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 BHHC policy.

BHHC Evidence to Support the PHA 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 BHHC'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 BHHC policies. If the grounds for termination are not specified in the regulations or in compliance with BHHC policies, then the decision of the BHHC will be overturned.

The hearing officer will issue a written decision to the family and BHHC 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 PHA 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.

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 PHA's decision.

Order: The hearing report will include a statement of whether the PHA's decision is upheld or overturned. If it is overturned, the hearing officer will instruct the PHA 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 PHA to restore the family's status.

Procedures for Further Hearing

BHHC 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 BHHC 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 PHA which must take the action, or refrain from taking the action cited in the decision unless the PHA Board of Commissioners determines within a reasonable time, and notifies the complainant that:

- The grievance does not concern PHA action or failure to act in accordance with or involving the complainant's lease on 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 PHA

BHHC Policy

When BHHC considers the decision of the hearing officer to be invalid due to the reasons stated above, it will present the matter to the BHHC Board of Commissioners within 10 business 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 business days of this decision.

A decision by the hearing officer/panel, or Board of Commissioners in favor of the PHA or which denies the relief requested by the complainant in whole or in part must not constitute a waiver of any rights the complainant may have to a subsequent trial or judicial review in court [24 CFR 966.57(c)].

6. Designated Housing for Elderly and Disabled Families;

BHHC ACOP Chapter 2- Admission and Continued Occupancy Policy 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 PHA must ensure that persons with disabilities have full access to the 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 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)].

BHHC Policy

BHHC 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 **BHHC**, 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 your housing manager.”

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
- 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 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

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 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 PHA's programs and services.

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

BHHC Policy

BHHC will encourage the family to make its request in writing using a reasonable accommodation request form. However, **BHHC** 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 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.

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 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.

BHHC Policy

After a request for an accommodation is presented, **BHHC** will respond, in writing, within 10 business days.

If **BHHC** 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 **BHHC**'s decision through an informal hearing (if applicable) or the grievance process (see Chapter 14).

If **BHHC** 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 **BHHC**'s operations), **BHHC** 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 **BHHC** believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, **BHHC** 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 **BHHC**'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.

BHHC Policy

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype 269-927-6511) 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 **BHHC** 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.

- 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 2002-01(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). 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(1)(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)].

7. Community Service and Self-Sufficiency;

BHHC ACOP Chapter 2- Admission and Continued Occupancy Policy PART I: COMMUNITY SERVICE REQUIREMENT – Agency Statement

The Benton Harbor Housing Commission's policy is designed to identify which adult family members are subject to or exempt from the service requirements; to explain how the PHA will administer its program; to identify PHA and/or third party certification opportunities available to eligible adult family members; and to assure resident compliance with identified work activities with fair and equitable actions.

PHA Responsibilities

(1.) Eligibility Determination

The PHA will review every existing resident file to determine each Adult member's status regarding community service per the following guidelines.

- a. As family status is determined a registered letter or other certifiable document of receipt will be sent to each adult member of that family to notify them of their status (exempt or non-exempt) and explaining the steps they should immediately proceed with through their housing representative.
- b. The PHA will include a copy of the general information section of its Community Service Policy and a listing of PHA and/or third party work activities that are eligible for certification of the community service requirement.
- c. At the scheduled meeting with each non-exempt adult family member, not only will the parameters of the community service requirement be reviewed but also the PHA and/or third party work activities will be identified and selected for compliance with the annual obligation for certification at their annual lease renewal date.

(2.) Work Activity Opportunities

The Benton Harbor Housing Commission has elected to provide to those adult family members that must perform community service activities the opportunity to select either PHA sanctioned work activities or Third Party certifiable work items. The administration of the certification process would be:

a. PHA Provided Activities.

When qualifying activities are provided by the Commission directly, designated Commission employee(s) shall provide signed certification that the family member has performed the proper number of hours for the selected service activities.

b. Third Party Certification

When qualifying activities are administered by any organization other than PHA, the family member must provide signed certification (see III A (c)) to the Commission by such third party organization that said family member has performed appropriate service activities for the required hours.

c. Verification of Compliance.

The Commission is required to review family compliance with service requirement, and must verify such compliance annually at least thirty (30) days before the end of the twelve (12) month lease term (annual re-certification time). Evidence of service performance and/or exemption must be maintained in the participant files.

d. Notice of Noncompliance.

If the Commission determines that, a family member who is subject to fulfilling a service requirement, but who has violated the family's obligation (a noncompliant resident) the Commission must notify the specific family member of this determination.

The Notice of Noncompliance must:

1. Briefly, describe the noncompliance (inadequate number of hours).
2. State that the Commission will not renew the lease at the end of the twelve (12) month lease term unless:

The resident or any other noncompliant adult family member enters into a written agreement with the Commission to cure the noncompliance and in fact perform to the letter of agreement.

- Or -

The family provides written assurance satisfactory, to the PHA that the resident or other noncompliant adult family member no longer resides in the unit.

This Notice of Noncompliance must also state that the resident may request a grievance hearing and that the resident may exercise any available judicial remedy to seek timely redress for the Commission's non-renewal of the lease because of a noncompliance determination.

- e. Resident agreement to comply with the service requirement.
The written agreement entered into with the Commission to cure the service requirement noncompliance by the resident and any other adult family member must:
1. Agree to complete additional service hours needed to make up the total number of hours required over the twelve (12) month term of the new lease.
 2. State that all other members of the family subject to the service requirement are in current compliance with the service requirement or are no longer residing in the unit.
- f. The Benton Harbor Housing Commission has developed a list of Agency certifiable and/or third party work activities of which each non-exempt adult family member can select to perform their individual service requirement.

8. Safety and Crime Prevention;

BHHC Standard Operating Procedures /Policy and Procedures Manual

Need for measures to ensure the safety of public housing residents

Due to a High incidence of violent and/or drug-related crime in the areas surrounding or adjacent to BHHC's developments, the following statements apply;

9. Residents are fearful for their safety and/or the safety of their children
10. Observed lower-level crime, vandalism and/or graffiti
11. People on waiting list unwilling to move into one or more developments due to perceived and/or actual levels of violent and/or drug related crime

BHHC used the following information and/or data to determine the need for agency actions to improve safety of residents

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

All PHA Developments are affected

BUSS Development MI 10-2

Harbor Towers MI 10-3

Scattered Sites MI 10-5, MI 10-7, MI 10-9

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

These are some of the crime prevention activities that BHHC has undertaken or plans to undertake:

- Contracting with outside and/or resident organizations for the provision of crime- and/or drug-prevention activities
- Crime Prevention through Environmental Design
- Activities targeted to at-risk youth, adults, or seniors
- Volunteer Resident Patrol/Block Watchers Program
- Security for all Properties

Continued efforts are made towards collaboration and consensus as the coordination between BHHC and the local police precincts for carrying out crime prevention measures and activities:

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

9. Pet Policy;

BHHC Dwelling Lease and Lease Addendum PET POLICY FOR FAMILY DEVELOPMENTS

In compliance with Section 526 of The Quality Housing and Work Responsibility Act of 1998, PHA residents shall be permitted to own and keep common household pets. Animals that are an auxiliary for persons with a disability are excluded from this policy. The ownership of common household pets is subject to rules and limitations:

1. Common household pets shall be defined as “domesticated animals such as a dog, cat, bird, rodent, fish or turtle”.
2. No more than one (1) dog or cat shall be permitted in a household. In the case of birds, a maximum of two birds may be permitted. There shall be no limit as to the number of fish, but no more than one aquarium with a maximum capacity of twenty (20) gallons shall be permitted. A Resident with a dog or cat may also have other categories of “common household pets” as defined above.
3. Pets other than a dog or cat shall be confined to an appropriate cage or container. Such a pet may be removed from its cage while inside the owner’s apartment for the purpose of handling, but shall not generally be unrestrained.
4. Only one (1) dog or cat is allowed per household. NO PIT BULLS WILL BE PERMITTED. All dogs and cats will need to be on a leash, tied up, or otherwise restrained at all times when they are outside. Neither dogs nor cats shall be permitted to run loose.
5. Pet owners shall maintain their pet in such a manner as to prevent any damage to their unit, yard or common areas of the community in which they live. The animal shall be maintained so as not to be a nuisance or a threat to the health or safety of neighbors, PHA employees, or the public, by reason of noise, unpleasant odors or other objectionable situations.
6. Each pet owner shall be fully responsible for the care of the pet, including the proper disposal of pet wastes in a safe and sanitary manner. Animal wastes must be collected by the pet owner and put into a plastic bag that is then tied shut and disposed of by placing the bag into a waste disposal container. Improper disposal of pet waste is a lease violation and may be grounds for termination.
7. All pets shall be inoculated and licensed in accordance with applicable state and local laws. All cats or dogs shall be neutered or spayed, unless a veterinarian certifies that the spaying or neutering would be inappropriate or unnecessary (because of health, age, etc.).
8. All pets shall be registered with the Management Office immediately.
9. Any litigation resulting from actions by pets shall be the sole responsibility of the pet owner. The pet owner agrees to indemnify and hold harmless the PHA from all claims, causes of action damages or expenses, including attorney’s fees, resulting from the action or the activities of his or her pet.

POLICY FOR ANIMALS THAT ASSIST PERSONS WITH DISABILITIES

Pet rules will not be applied to animals who assist persons with disabilities. To be excluded from the pet policy, the resident/pet owner must certify:

- That there is a person with disabilities in the household;
- That animal has been trained to assist with specified disability.

10. Civil Rights Certification;

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

11. Fiscal Year Audit; the results of the most recent fiscal year audit. and the response to any findings

[24 CFR Part 903.79 (p)]

BHHC is required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h));

- The most recent fiscal audit submitted to HUD
- There were finding as the result of that audit
- There are 12 findings that remain unresolved
- A responses to any unresolved findings been submitted to HUD

A copy of the most recent audit, audit finding, and BHHC response can be obtained from the main administrative office; Benton Harbor Housing Commission - 721 Nate Wells Drive – Benton Harbor, MI 49022

12. Asset Management;

**BHHC ACOP Chapter 1- Admission and Continued Occupancy Policy
II A (a) ASSET MANAGEMENT**

BHHC is engaging activities that will contribute to the long-term asset management of its public housing stock, including how the Agency will plan for long-term operating, capital investment, rehabilitation, modernization, disposition, and other PHA needs. BHHC will undertake the following types of asset management activities; Development-based accounting and Comprehensive stock assessment.

BHHC has included descriptions of asset management activities in the **optional** Public Housing Asset Management Table.

Public Housing Asset Management								
Development Identification		Activity Description						
Name, Number, and Location	Number and Type of units	Capital Fund Program Parts II and III <i>Component 7a</i>	Development Activities <i>Component 7b</i>	Demolition / disposition <i>Component 8</i>	Designated housing Component <i>Component 9</i>	Conversion <i>Component 10</i>	Home-ownership <i>Component 11a</i>	Other (describe) <i>Component 17</i>
MI 010-010	94	Demolish, rebuild new units and donate small plot to Habitat for Humanity	16,000,000.00	4,000,000.00				
MI 10-2	78	Demolish and rebuild new units	14,000,000.00	0				
MI 10-3	95	Remodel, new windows, HVAC, new elevators	7,000,000.00	0				
MI 10-5	46	Rehab interior	690,000.00	0				
MI 10-7	40	Rehab interior	650,000.00	0				
MI 10-9	17	Install new carpet and new cabinets	60,000.00	0				

13. VAWA – Violence Against Women Act Policy

BHHC ACOP Chapter 16- Admission and Continued Occupancy Policy

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

Violence Against Women Act Policy

The purpose of this Policy is to reduce domestic violence, dating violence, and stalking and to prevent homelessness by:
 protecting the safety of victims;
 creating long-term housing solutions for victims;
 building collaborations among victim service providers; and
 assisting BHHC to respond appropriately to the violence while maintaining a safe environment for BHHC, employees, tenants, applicants, Section 8 participants, program participants and others.

The Policy will assist the Benton Harbor Housing Commission (BHHC) in providing rights under the Violence Against Women Act to its applicants, public housing residents, Section 8 participants and other program participants.

2.0 Mission Statement

BHHC's policy is to comply with the 2005 VAWA Pub. L. 109-162; Stat.2960 signed into law on January 5, 2006 and codified at 42 U.S.C. § 1437d (1) and 1437f (d), (o) & I and (u). BHHC shall not discriminate against an applicant, public housing resident, Section 8 program participant or other program participant on the basis of the rights or privileges provided under the VAWA.

This Policy is incorporated into BHHC's "Statement Of Policies Governing Admission to Continuing Occupancy of Low Rent Housing" and "Section 8 Program Administrative Plan" and applies to all BHHC housing programs including the Family Self Sufficiency Program and Housing Counseling Programs.

3.0 Definitions

The definitions in this Section apply only to this Policy.

3.1 Confidentiality: Means that BHHC will not enter information provided to BHHC under 4.2 and 4.3 into a shared database or provide this information to any related entity except as stated in 4.4.

3.2 Dating Violence: Violence committed by a person (a) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (b) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; (iii) the frequency

of interaction between the persons involved in the relationship. 42 U.S.C. § 1437d (u) (3) (A).

3.3 Domestic Violence: Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, committed by a person with whom the victim shares a child in common, committed by a person who is cohabitating with or has cohabitated with the victim as a spouse, committed by a person similarly situated to a spouse of the victim under the domestic or family violence laws of Minnesota, or committed 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 Michigan.

3.4 Homeless, Homeless Individual, and Homeless Person: A person who lacks a fixed, regular and adequate nighttime residence. Also includes: a) a person who is sharing the housing of other persons due to loss of housing, economic hardship or a similar reason; b) a person living in a motel, hotel, trailer park, or campground due to lack of alternative adequate accommodations; c) a person living in emergency or transitional shelter; d) a person abandoned in a hospital; e) a person awaiting foster care placement; or f) a person who has a primary nighttime resident that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings. VAWA of 2005 § 41403.

3.5 Involuntary Displacement: Occurs when a victim has vacated or will have to vacate their housing unit because of domestic violence, dating domestic violence or stalking against the victim.

3.6 Immediate Family Member: A spouse, parent, brother or sister, or child of a victim or an individual to whom the victim stands in loco parentis or any other person living in the household of the victim and related to the victim by blood and marriage. 42 U.S.C. § 1437d (u) (3) (D)

3.7 Long-term Housing: Is housing that is sustainable, accessible, affordable and safe for the foreseeable future which: a) the person rents or owns; b) is subsidized by a voucher or other program as long as the person meets the eligibility requirements of the program; c) directly provided by BHHC, is not time limited and the person meets the eligibility requirements of the program.

3.8 Perpetrator: A person who commits an act of domestic violence, dating domestic violence or stalking against a victim.

3.9 Stalking: (a) to follow, pursue or repeatedly commit acts with the intent to kill, injure, harass or intimidate the victim; (b) to place under surveillance with the intent to kill, injure, harass or intimidate the victim; (c) in the course of, or as a result of such following, pursuit, surveillance, or repeatedly committed acts, to place the victim in reasonable fear of the death of, or serious bodily injury to the victim; or (d) to cause substantial emotional harm to the victim, a member of the immediate family of the victim or the spouse or intimate partner of the victim. 42 U.S.C. § 1437d (u)(3)(C).

3.10 Victim: Is a person who is the victim of domestic violence, dating violence, or stalking under this Policy and who has timely and completely completed the certification under 4.2 and 4.3 or as requested by BHHC.

4.0 Certification and Confidentiality

4.1 Failure to Provide Certification Under 4.2 and 4.3

The person shall provide complete and accurate certifications to MPHA, owner or manager within 14 business days after the party requests in writing that the person completes the certifications. If the person does not provide a complete and accurate certification within the 14 business days, BHHC, the owner or manager may take action to deny or terminate participation or tenancy under: 42 U. S. C. § 1437 I (5) & (6); 42 U. S. C. § 1437 (d) (c) (3); 42 U. S. C. § 1437f (c)(9); 42 U. S. C. § 1437f (d)(1)(13)(ii) & (iii); 42 U. S. C. § 1437f (o)(7)(C) &(D); or 42 U. S. C. § 1437f (o)(20) or for other good cause.

4.2 HUD Approved Certification

For each incident that a person is claiming is abuse, the person shall certify to MPHA, owner or manager their victim status by completing a HUD approved certification form. The person shall certify the date, time and description of the incidents, that the incidents are bona fide incidents of actual or threatened abuses and meet the requirements of VAWA and this Policy. The person shall provide information to identify the perpetrator including but not limited to the name and, if known, all alias names, date of birth, address, contact information such as postal, e-mail or internet address, telephone or facsimile number or other information.

4.3 Other Certification

A person who is claiming victim status shall provide to BHHC, an owner or manager: a) documentation signed by the victim and 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 the abuse, in which the professional attests under penalty of perjury (28 U.S.C. § 1746) to the professional's belief that the incident(s) in question are bona fide incidents of abuse; or b) a federal, state, tribal, territorial, local police or court record.

4.4 Confidentiality

BHHC, the owner and manager shall keep all information provided to MPHA under this Section confidential. BHHC, owner and manager shall not enter the information into a shared database or provide to any related entity except to the extent that:

(a) the victim requests or consents to the disclosure in writing;

(b) the disclosure is required for:

(i) eviction from public housing under 42 U. S. C. § 1437 I (5) & (6) (See Section 5 in this Policy);

(ii) termination of Section 8 assistance under 42 U. S. C. § 1437f

(c)(9); 42 U. S. C. § 1437f (d)(1)(B)(ii) & (iii); 42 U. S. C. §

1437f (o)(7)(C) &(D); or 42 U. S. C. § 1437f (o)(20) (See

Section 5 in this Policy); or

(c) the disclosure is required by applicable law.

4.5 Compliance Not Sufficient to Constitute Evidence of Unreasonable Act

The BHHC, owner or manager compliance with Sections 4.1, 4.2 and 4.3 shall alone not be sufficient to show evidence of an unreasonable act or omission by them.

5.0 Appropriate Basis for Denial of Admission, Assistance or Tenancy.

5.1 BHHC shall not deny participation or admission to a program on the basis of a person's victim status, if the person otherwise qualifies for admission of assistance.

5.2 An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be a serious or repeated violation of the lease by victim and shall not be good cause for denying to a victim admission to a program, terminating Section 8 assistance or occupancy rights, or evicting a tenant.

5.3 Criminal activity directly related 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 assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim of that domestic violence, dating violence or stalking.

5.4 Notwithstanding Sections 5.1, 5.2 and 5.3 BHHC, an owner or manager may bifurcate a lease to evict, remove or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others without evicting, removing, terminating assistance to or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. 42 U.S.C. §1437d(1)(6)(B).

5.5 Nothing in Sections 5.1, 5.2 and 5.3 shall limit the authority of BHHC, an owner or manager, when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members when the family breaks up.

5.6 Nothing in Sections 5.1, 5.2 and 5.3 limits BHHC, an owner or manager's authority to evict or terminate assistance to any tenant for any violation of lease not premised on the act or acts of violence against the tenant or a member of the tenant's household. However BHHC, owner or manager may not hold a victim to a more demanding standard.

5.7 Nothing in Sections 5.1, 5.2 and 5.3 limits BHHC, an owner or manager's authority to evict or terminate assistance, or deny admission to a program if the BHHC, owner or manager can show an actual and imminent threat to other tenants, neighbors, guests, their employees, persons providing service to the property or others if the tenant family is not evicted or terminated from assistance or denied admission.

5.8 Nothing in Sections 5.1, 5.2 or 5.3 limits BHHC, an owner or manager's authority to deny admission, terminate assistance or evict a person who engages in criminal acts including but not limited to acts of physical violence or stalking against family members or others.

5.9 A Section 8 recipient who moves out of a assisted dwelling unit to protect their health or safety and who: a) is a victim under this Policy; b) reasonably believes he or she was imminently threatened by harm from further violence if he or she remains in the unit; and c) has complied with all other obligations of the Section 8 program may receive a voucher and move to another Section 8 jurisdiction.

5.10 A public housing tenant who wants a transfer to protect their health or safety and who: a) is victim under this Policy; b) reasonably believes he or she was imminently threatened by harm from further violence if he or she remains in the unit; and 3) has complied with all other obligations of the public housing income program may transfer to another BHHC unit, receive a Section 8 voucher and stay in Benton Harbor or move to another Section 8 jurisdiction.

6.0 Actions Against a Perpetrator

BHHC may evict, terminate assistance, deny admission to a program or trespass a perpetrator from its property under this Policy. The victim shall take action to control or prevent the domestic violence, dating violence, or stalking. The action may include but is not limited to: a) obtaining and enforcing a restraining or no contact order or order for protection against the perpetrator; b) obtaining and enforcing a trespass against the perpetrator; c) enforcing BHHC or law enforcement's trespass of the perpetrator; d) preventing the delivery of the perpetrator's mail to the victim's unit; e) providing identifying information listed in 4.2; and 0 other reasonable measures.

7.0 Notice to Applicants, Participants, Tenants and Section 8 Managers and Owners.

BHHC shall provide notice to applicants, participants, tenants, managers and owners of their rights and obligations under Section 4.4 Confidentiality and Section 5.0 Appropriate Basis for Denial of Admission, Assistance or Tenancy.

8.0 Preferences

Families who are victims under VAWA will receive a preference in BHHC's public housing and housing assistance programs. Families who have been victims of domestic violence, dating violence or stalking shall provide: a) documentation signed by the victim and 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 the abuse, in which the professional attests under penalty of perjury (28 U.S.C. § 1746) to the professional's belief that the incident(s) in question are bona fide incidents of abuse; or b) a federal, state, tribal, territorial or local police or court record to establish their victim status under this policy.

9.0 Reporting Requirements

BHHC shall include in its 5 year plan a statement of goals, objectives, policies or programs that will serve the needs of victims. BHHC shall also include a description of activities, services or programs provided or offered either directly or in partnership with other service providers to victims, to help victims obtain or maintain housing or to prevent the abuse or to enhance the safety of victims.

10.0 Conflict and Scope: This Policy does not enlarge BHHC's duty under any law¹ - regulation or ordinance. If this Policy conflicts with the applicable law, regulation or ordinance, the law, regulation or ordinance shall control. If this Policy conflicts with another BHHC policy such as its Statement of Policies or Section 8 Administration Plan, this Policy will control.

11.0 Amendment: The Executive or Deputy Director may amend this policy when it is reasonably necessary to effectuate the Policy's intent, purpose or interpretation. The proposed amendment along with the rationale for the amendment shall be submitted to the Executive Director for consideration. Where reasonably necessary, the Executive Director may approve the amendment. The amendment shall be effective and incorporated on the date that the Executive Director signs the amendment.

14. MOA/Recovery Plan

BHHC is currently under a (MOA) Memorandum of Agreement in order to correct the identified deficiencies under the (PHAS) Public Housing Management Assessment System.

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							
PHA Name/Number		Locality (City/County & State)				<input type="checkbox"/> Original 5-Year Plan	<input type="checkbox"/> Revision No:
A.	Development Number and Name	Work Statement for Year 1 FFY _____	Work Statement for Year 2 FFY _____	Work Statement for Year 3 FFY _____	Work Statement for Year 4 FFY _____	Work Statement for Year 5 FFY _____	
B.	Physical Improvements Subtotal	Annual Statement					
C.	Management Improvements						
D.	PHA-Wide Non-dwelling Structures and Equipment						
E.	Administration						
F.	Other						
G.	Operations						
H.	Demolition						
I.	Development						
J.	Capital Fund Financing – Debt Service						
K.	Total CFP Funds						
L.	Total Non-CFP Funds						
M.	Grand Total						

Part III: Supporting Pages – Management Needs Work Statement(s)				
Work Statement for Year 1 FFY _____	Work Statement for Year _____ FFY _____		Work Statement for Year: _____ FFY _____	
	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				
	Subtotal of Estimated Cost	\$	Subtotal of Estimated Cost	\$

Part III: Supporting Pages – Management Needs Work Statement(s)				
Work Statement for Year 1 FFY _____	Work Statement for Year _____ FFY _____		Work Statement for Year: _____ FFY _____	
	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				
	Subtotal of Estimated Cost	\$	Subtotal of Estimated Cost	\$

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 Housing and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary		Grant Type and Number	
PHA Name: Benton Harbor Housing Commission		Capital Fund Program Grant No: MI33P010501-08 Replacement Housing Factor Grant No: Date of CFPP: 2008	
		FFY of Grant: 2008 FFY of Grant Approval: 2008	

Line	Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending: Summary by Development Account	Reserve for Disasters/Emergencies <input type="checkbox"/>	Revised Annual Statement (revision no:03) <input checked="" type="checkbox"/> Final Performance and Evaluation Report		Total Actual Cost ¹
			Original	Revised ²	
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements		0.0		
4	1410 Administration (may not exceed 10% of line 21)		0.0		
5	1411 Audit		0.0		
6	1415 Liquidated Damages		0.0		
7	1430 Fees and Costs		10,000.00		
8	1440 Site Acquisition		0.0		
9	1450 Site Improvement		15,000.00		
10	1460 Dwelling Structures		363,563.00	434,703.00	
11	1465.1 Dwelling Equipment—Nonexpendable		0.0		
12	1470 Non-dwelling Structures		0.0		
13	1475 Non-dwelling Equipment		10,000.00		
14	1485 Demolition		0.0		
15	1492 Moving to Work Demonstration		0.0		
16	1495.1 Relocation Costs		0.0		
17	1499 Development Activities ⁴		0.0		

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 4/30/2011

Part I: Summary		PHA Name: Benton Harbor	Grant Type and Number Capital Fund Program Grant No: MI33P010501 Replacement Housing Factor Grant No: Date of CFPP: 2008	FFY of Grant: 2008 FFY of Grant Approval: 2008
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Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies
 Performance and Evaluation Report for Period Ending: Revised Annual Statement (revision no: 03)
 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	0.0	0.0		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	0.0	0.0		
19	1502 Contingency (may not exceed 8% of line 20)	0.0	0.0		
20	Amount of Annual Grant: (sum of lines 2 - 19)	496,333.00			
21	Amount of line 20 Related to LBP Activities	0.0	0.0		
22	Amount of line 20 Related to Section 504 Activities	0.0	0.0		
23	Amount of line 20 Related to Security - Soft Costs	0.0	0.0		
24	Amount of line 20 Related to Security - Hard Costs	0.0	0.0		
25	Amount of line 20 Related to Energy Conservation Measures	0.0	0.0		

Signature of Executive Director *[Signature]* Date **8-12-09**

Signature of Public Housing Director _____ 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 CFPP Grants for operations.
⁴ RHF funds shall be included here.

Part II: Supporting Pages		PHA Name: Benton Harbor Housing Commission		Grant Type and Number		Federal FFY of Grant: 2008		Status of Work	
				Capital Fund Program Grant No: MI33P010501					
				CFPP (Yes/No): Yes					
				Replacement Housing Factor Grant No:					
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost	Total Actual Cost	Funds Obligated ²	Funds Expended ²		
HA Wide Operations	A. Housing Operations	1406	10%	49,630					
	Sub Total			49,630					
HA Wide	A. Resident Services	1408	3%	2,720	0.0				
Management	B. Commissioners Training	1408	5%	5,000	0.0				
Improvements	C. Staff Training	1408	7%	10,000	0.0				
	D. Capital Funds Coordinator	1408	50%	26,140	0.0				
	Sub Total			43,860					
HA Wide	A. Staff Travel/Registration Fee	1410	2%	3,000	0.0				
Admin Cost	B. Operations Expense	1410	20%	26,335	0.0				
	Sub Total			29,335					
HA Wide	A. Consulting Fees	1430	100%	10,000					
	Sub Total			10,000					
MI 10-2	A. Window Replacement	1460	16 Bldgs	66,435					
	B. Replace Property Line Fencing	1450	400LF	15,000					
	Sub Total			81,435					

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.

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 4/30/2011

Part II: Supporting Pages		Grant Type and Number		Federal FFY of Grant: 2008		Status of Work	
PHA Name: Benton Harbor Housing Commission		Capital Fund Program Grant No: MI33P010501 CFPP (Yes/No): Yes Replacement Housing Factor Grant No:					
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost	Total Actual Cost		
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²
MI 10-3	Upgrade/ Replace HVAC System	1460	1 Bldg	50,000			
	Sub Total			50,000			
MI 10-5,7,9	Misc. Rehab/Repairs						
	A. Floor Replacement	1460	20 Units	66,333	114,473.00		
	B. Replace Plumbing	1460	57 Units	70,000			
	C. Upgrade/Replace HAVAC System	1460	46 Units	85,740			
	Sub Total			222,073			
HA Wide Nodwelling Equipment	A. Replace Maintenance Equipment	1475	LS	10,000			
	Sub Total			10,000			
	Grand Total			496,333			

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.

Part I: Summary		
PHA Name: Benton Harbor Housing Commission	Grant Type and Number Capital Fund Program Grant No: GFRG-MI33SO10501-09 Replacement Housing Factor Grant No: Date of CFFP: 2009	FFY of Grant: FY 2009 FFY of Grant Approval: FY 2009

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:01)
 Performance and Evaluation Report for Period Ending: 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				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	10,000.00	7,859.00		
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	355,400.00	365,400.00		
11	1465.1 Dwelling Equipment—Nonexpendable	255,000.00	255,000.00		
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment	7,859.00	0		
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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 4/30/2011

Part I: Summary					
PHA Name: Benton Harbor Housing Commission		Grant Type and Number Capital Fund Program Grant No: GFRG-MI33SO10501-09 Replacement Housing Factor Grant No: Date of CFFP: 2009		FFY of Grant: FY 2009 FFY of Grant Approval: FY 2009	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement (revision no: 01) <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)	628,259.00	628,259.00		
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	5,000.00	5,000.00		
25	Amount of line 20 Related to Energy Conservation Measures	559,400.00	559,400.00		
Signature of Executive Director 		Date 8/24/09		Signature of Public Housing Director 	
				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.

Part II: Supporting Pages									
PHA Name: BENTON HARBOR HOUSING COMMISSION			Grant Type and Number Capital Fund Program Grant No: GFRG-MI33SO10501-09 CFFP (Yes/ No): Replacement Housing Factor Grant No:				Federal FFY of Grant: FY 2009		
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		
MI010									
10-2/ BUSS	Roof Repair	1460	2BLDG.	30,000.00	30,000.00				
	Furnace Rerairs/Replacement	1460	78 units	101,400.00	101,400.00				
	Re-Meter Indiv. - Elec. Meters	1465	78 units	250,000.00	250,000.00				
MI010									
10-3 Harbor Towers	Domestic Hot Water Heater	1460	1 unit	21,000.00	21,000.00				
	Lochinvar Boiler Heater	1460	1 unit	23,000.00	23,000.00				
	HVAC Plumbing Repair	1460		2,000.00	2,000.00				
	Security Up-grade	1465		5,000.00	5,000.00				
MI010									
10-5 / Scatt. Housing	Floor Replacement	1460	18 units	60,000.00	70,000.00				
MI010									
10-7 / Scatt. Housing	Plumbing Repairs	1460	20 units	88,000.00	88,000.00				
	Floor Replacement	1460	7 units	30,000.00	30,000.00				
HA Wide	Fees and Cost								
	Architect	1430		10,000.00	7,859.00				
HA Wide	Non-dwelling Equipment	1475	LS	7,859.00	0				

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.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Benton Harbor Housing Commission				Federal FFY of Grant: FY 2009	
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
MI010-02	03-17-2010		03-17-2012		
MI010-03	03-17-2010		03-17-2012		
MI010-05	03-17-2010		03-17-2012		
MI010-07	03-17-2010		03-17-2012		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

**Benton Harbor Housing Authority
FYE 6/30/06**

insert input
formula

	Project 5 Project 5 - mix	Project 7 Project 9 family	Project 1-tax credit
Name of project			
Family/Early			
Scatter Site	yes	yes	
Age/Year Built			2007
Recently Reconstructed			Yes
Units	141	135	70
Average Bedroom plus	1-3 bedroom	2-4 bedroom	1-4 Bedroom
Occupancy			
# of employees			

REVENUE		PUBLIC HOUSING						
Line	Acct.	Units	141	135	70	376	2007	Consolidated
Yr.			AMP 1	AMP 2	AMP 3	PH Project Totals	Voucher	Cost Center
Revenues								
Operating Receipts								
3100	Gross Rental Rents		318,170	445,894		411,282		475,286
3110	Vacancy Loss		(23,570)	(75,880)		(97,128)		(97,128)
3110	Dwelling Rental		204,503	330,068		424,154		424,154
3120	Expense Allowance		3,000			3,000		3,000
3190	Maintaining Rental							
Total	Rental Income		294,503	354,352		427,154		427,154
	Central Maintenance Fee							129,386
	Property Management Fee							57,193
	Accounting fee							19,880
	Home M Development Fee							1,763
	Voucher Management Fee							51,500
	Capital Grant Management Fee							240,333
	Asset Management Fee							0.000
Total	Management Fees							479,052
3810	Interest on General Fund Investments	300		300		0.000	0.000	0.000
3830	Other Income		11,000	7,000		16,000		16,000
	FSS Grant							
	HHS Admin Grant							771,785
	HHS IAP Grant							92,268
	ROSS grants							
3691	Operating Subsidy		547,550	342,590	87,854	772,954		772,954
3691.1	Capital Funds - soft cost							51,815
3691.2	Capital Funds - HHS cost							
Total	Operating Income		845,050	485,501	87,854	1,213,705	373,043	3,325,300
Operating Expenditures - Administration								
4110	Administrative Salaries (Direct)							123,280
4110.1	Administrative Salaries (Front-Line)		88,062	66,127		134,184	42,003	151,724
4130	Legal Expense		3,000	3,000		2,000		2,000
4140	Staff Training		3,000	3,000		0.000		6,000
4160	Travel							
4170	Accounting Fees							7,000
4175	Auditing Fees		2,220	2,220		4,700	5,500	7,600
4181	Comp Absences							
4182	Employee Benefit Contributions - direct							18,688
4182.1	Employee Benefit Contributions - front line		34,717	25,956		70,675	12,815	75,193
4190	Other Admin		9,000	16,300		20,200	14,500	24,300
	Central Maintenance Fee							
	Property Management Fee		15,750	84,227		129,958		129,958

*30% Ex Director's Salary
Income from Hope VI

READ	HUD
Line	Acct
UN	

Units	141	135	70	346	200		
Revenue							
Accounting Fee	10,840	10,273		21,113	36,200		37,199
Voucher Management Fee					31,260		31,260
New Construction mgmt fee							
Capital Grant Management Fee							
Other Grant Fees							
Asset Management Fee	18,650	10,260	6,400	35,310			41,820
Total Management Fees Paid	29,490	20,533	6,400	56,423	37,960		220,459
CF - Management Improvements							
Administrative Expense	11,640	302,354	8,400	422,394	95,675	245,497	374,128
Tenant Services:							
4210 Rebates							
4220 Recreation, Publications and Utility Services	1,300	1,000		2,300			2,300
4230 Contract Costs, Training and Other							
4240 Employee Benefit Contributions							
Total Tenant Services Expense	1,300	1,000		2,300			2,300
Utilities:							
4310 Water	120,400	8,120		128,520	14,400		152,920
4320 Electricity	40,275	24,000		64,275	17,410		81,685
4330 Gas	8,040	3,500		11,540	25,000		36,540
4340 Heat							
4350 Other Utility Expense							
Total Utilities Expense	168,715	35,620		204,335	56,810		261,145
Ordinary Maintenance and Operations:							
4410 Labor (Direct)	115,260	3,000		118,260			120,940
4420 Materials	75,000	23,000		98,000			100,000
4430 Contract Costs	127,590	34,254		161,844	9,260		171,104
CF - maintenance costs							
4432 Employee Benefit Contributions-Maint	31,840	26,240		58,080			58,080
Ordinary Maintenance and Operating Expense	350,690	66,494		417,184	9,260		426,424
Protective Services:							
4490 Labor							
4470 Materials							
4480 Contract Costs							
Total Protective Services Expense							
General Expense:							
4510 Insurance	47,010	50,670		97,680	1,800	1,800	101,280
4520 Payments in Lieu of Taxes	10,750	9,420		20,170			20,170
4530 Terminal Leave Payments							
4540 Collection Losses	3,000	2,000		5,000			5,000
4560 Other General Expenses							
Total General Expense	60,760	62,090		122,850	1,800	1,800	127,520
Total Operating Expenditures	598,725	483,194	8,400	1,090,319	101,260	303,467	1,495,046
4610 Security Maintenance							
4620 Security Losses							
4630 SAP Payments					171,780		171,780
Transfer to Fed Credit Line for Security			71,000	71,000			71,000
Capital expenditures - operations							
Capital expenditures - capital funds							
Total Nonoperating Expenditures			71,000	71,000	171,780		242,780
Total Expenditures	598,725	483,194	8,400	1,161,319	273,040	303,467	1,737,826
Net profit/(loss) before FPA and depreciation	54,205	1,419	360	56,984	(1,810)	(1,810)	55,288
1104 1013 Prior Year Adjustments							

PUBLIC HOUSING							
	AMP 1	AMP 2	AMP 3	P-I Project Totals	Voucher	Cost Center	Consolidated
Revenue							
Accounting Fee	10,840	10,273		21,113	36,200		37,199
Voucher Management Fee					31,260		31,260
New Construction mgmt fee							
Capital Grant Management Fee							
Other Grant Fees							
Asset Management Fee	18,650	10,260	6,400	35,310			41,820
Total Management Fees Paid	29,490	20,533	6,400	56,423	37,960		220,459
CF - Management Improvements							
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4210 Rebates							
4220 Recreation, Publications and Utility Services	1,300	1,000		2,300			2,300
4230 Contract Costs, Training and Other							
4240 Employee Benefit Contributions							
Total Tenant Services Expense	1,300	1,000		2,300			2,300
Utilities:							
4310 Water	120,400	8,120		128,520	14,400		152,920
4320 Electricity	40,275	24,000		64,275	17,410		81,685
4330 Gas	8,040	3,500		11,540	25,000		36,540
4340 Heat							
4350 Other Utility Expense							
Total Utilities Expense	168,715	35,620		204,335	56,810		261,145
Ordinary Maintenance and Operations:							
4410 Labor (Direct)	115,260	3,000		118,260			120,940
4420 Materials	75,000	23,000		98,000			100,000
4430 Contract Costs	127,590	34,254		161,844	9,260		171,104
CF - maintenance costs							
4432 Employee Benefit Contributions-Maint	31,840	26,240		58,080			58,080
Ordinary Maintenance and Operating Expense	350,690	66,494		417,184	9,260		426,424
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4470 Materials							
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General Expense:							
4510 Insurance	47,010	50,670		97,680	1,800	1,800	101,280
4520 Payments in Lieu of Taxes	10,750	9,420		20,170			20,170
4530 Terminal Leave Payments							
4540 Collection Losses	3,000	2,000		5,000			5,000
4560 Other General Expenses							
Total General Expense	60,760	62,090		122,850	1,800	1,800	127,520
Total Operating Expenditures	598,725	483,194	8,400	1,090,319	101,260	303,467	1,495,046
4610 Security Maintenance							
4620 Security Losses							
4630 SAP Payments					171,780		171,780
Transfer to Fed Credit Line for Security			71,000	71,000			71,000
Capital expenditures - operations							
Capital expenditures - capital funds							
Total Nonoperating Expenditures			71,000	71,000	171,780		242,780
Total Expenditures	598,725	483,194	8,400	1,161,319	273,040	303,467	1,737,826
Net profit/(loss) before FPA and depreciation	54,205	1,419	360	56,984	(1,810)	(1,810)	55,288
1104 1013 Prior Year Adjustments							

Benion Harbor Housing Authority

FYE 9/30/08

VACANCY LOSS & GROSS POTENTIAL INCOME

# of units				TOTAL PUBLIC HOUSING
	Project 1	Public Housing Project 2	Project 3	
	141	138	70	
<u>Budgeting</u>				
Average Rental Income per month	186.63	95.89		
Units	1,892.00	1,626.00	846.00	
Gross Potential Revenue	315,777.98	155,503.60	0.00	
Occupancy rate	90.00%	90.00%		
Projected average monthly dwelling rental	284,230.16	139,853.42	0.00	424,153.58

1. **Accounting**
 2. **Finance**
 3. **Marketing**
 4. **Operations**
 5. **Human Resources**
 6. **Information Systems**
 7. **Business Law**
 8. **Business Ethics**
 9. **Business Writing**
 10. **Business Communication**

Accounting

This category includes all courses
 that are required for the
 Accounting degree program.
 Courses are listed in the
 following order:

Course	Prerequisites	Credits	Grade	Transfer	Notes	Year	Term	Day	Time	Location
Accounting 101		3	C	Yes		1	Fall	Tu	10:00-11:00	101
Accounting 102	Accounting 101	3	C	Yes		1	Spring	Th	10:00-11:00	102
Accounting 201	Accounting 101, 102	3	C	Yes		2	Fall	Th	10:00-11:00	201
Accounting 202	Accounting 101, 102	3	C	Yes		2	Spring	Tu	10:00-11:00	202
Accounting 301	Accounting 201, 202	3	C	Yes		3	Fall	Th	10:00-11:00	301
Accounting 302	Accounting 201, 202	3	C	Yes		3	Spring	Tu	10:00-11:00	302
Accounting 401	Accounting 301, 302	3	C	Yes		4	Fall	Th	10:00-11:00	401
Accounting 402	Accounting 301, 302	3	C	Yes		4	Spring	Tu	10:00-11:00	402

Course	Prerequisites	Credits	Grade	Transfer	Notes	Year	Term	Day	Time	Location
Business 101		3	C	Yes		1	Fall	Tu	10:00-11:00	101
Business 102	Business 101	3	C	Yes		1	Spring	Th	10:00-11:00	102
Business 201	Business 101, 102	3	C	Yes		2	Fall	Th	10:00-11:00	201
Business 202	Business 101, 102	3	C	Yes		2	Spring	Tu	10:00-11:00	202
Business 301	Business 201, 202	3	C	Yes		3	Fall	Th	10:00-11:00	301
Business 302	Business 201, 202	3	C	Yes		3	Spring	Tu	10:00-11:00	302
Business 401	Business 301, 302	3	C	Yes		4	Fall	Th	10:00-11:00	401
Business 402	Business 301, 302	3	C	Yes		4	Spring	Tu	10:00-11:00	402

06/27/2007 15:04 FAX 800 208 8822

06/27/2007 15:04 FAX 800 208 8822

Resolution No. 100, dated 11/10/00
 Article 5
 Part 87(2)(b)
 Administration to 2000 Other Than Salary

Description	AMP 1	AMP 2	AMP 3	Youker	SWHC	0	Cost Center	Total
Agid	\$ 1,000.00	\$ 1,000.00						\$ 2,000.00
Travel	\$ 3,000.00	\$ 3,000.00		\$ 2,000.00				\$ 8,000.00
Travel Conferences							\$ 7,000.00	\$ 7,000.00
Agid/CFE							\$ 1,000.00	\$ 1,000.00
Printing	\$ 2,000.00	\$ 2,000.00		\$ 3,000.00				\$ 7,000.00
Travel Other								\$ 2,000.00
Other Sundy				\$ 1,000.00				\$ 1,000.00
Publications	\$ 100.00	\$ 100.00						\$ 200.00
Membership cost fees							\$ 7,000.00	\$ 7,000.00
Telephone fee	\$ 3,000.00	\$ 3,000.00					\$ 6,000.00	\$ 6,000.00
Collection at airport costs	\$ 2,000.00	\$ 2,000.00					\$ 4,000.00	\$ 4,000.00
Administrative Contracts				\$ 1,000.00			\$ 8,000.00	\$ 9,000.00
Postage	\$ 1,000.00	\$ 1,000.00		\$ 1,000.00				\$ 3,000.00
Bank fees	\$ 1,000.00	\$ 1,000.00					\$ 1,000.00	\$ 2,000.00
Furniture, office supplies	\$ 2,500.00	\$ 2,500.00					\$ 10,000.00	\$ 15,000.00
Other Sundy	\$ 5,000.00	\$ 5,000.00		\$ 7,000.00				\$ 17,000.00
Total other sundy	\$ 15,000.00	\$ 15,000.00		\$ 14,000.00			\$ 50,000.00	\$ 74,000.00
Total	\$ 21,000.00	\$ 21,000.00		\$ 20,000.00			\$ 70,000.00	\$ 95,000.00

Note: See Detail on attachments

\$ 95,000.00

Training

Nat McKay teacher
 Nat McKay
 Nat McKay reports
 Total

\$ 1,000.00
 \$ 2,000.00
 \$ 4,000.00
 \$ 7,000.00

Membership, Dues, & Fees

NAACP
 NADA
 AARP
 NACWA
 Chamber
 Total

\$ 1,000.00
 \$ 800.00
 \$ 1,000.00
 \$ 1,000.00
 \$ 1,000.00
 \$ 5,000.00

Travel Conferences

Total

\$ 7,000.00

Administrative Contracts

Computer Support
 Copier
 Computer Workcell
 Copier
 Fax
 Software
 Computer Hardware
 Total

\$ 1,000.00
 \$ 1,000.00
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Boston Harbor Housing Authority
 RYE 09/08

Maintenance - Labor & Benefits

Employee	AMP 1	AMP 2	AMP 3	Voucher	NYC	COCC	Total
Maint Labor-green	20,800						20,800
Maint Labor-haley	29,222						29,222
Maint Labor-way	21,200						21,200
Maint Labor-jones	22,800						22,800
Maint Labor-parttime-lee	3,000						3,000
Maint Labor-miller		28,052					28,052
Maint Labor-smith		28,894					28,894
Lead Maintenance	8,240	24,560					32,800
Total	15,960	81,700					97,660

Employee	AMP 1	AMP 2	AMP 3	Voucher	COCC	Total
Maint Labor-green	4,285					4,285
Maint Labor-haley	7,877					7,877
Maint Labor-way	2,987					2,987
Maint Labor-jones	5,188					5,188
Maint Labor-parttime-lee	895					895
Maint Labor-miller		6,898				6,898
Maint Labor-smith		10,870				10,870
Lead Maint-hines	2,124	8,539				10,663
Total	31,869	26,204				58,073

	9 months								Total Benefits		
	Expense	Salary	Retirement	Health Ins.	FICA	Benefits other	WC	WC		LIFE	
Maint Labor-green	30,085	20,800	1,248	6,047	891				368	9,585	
Maint Labor-haley	31,797	29,920		6,047	1,830					2,387	
Maint Labor-way	33,597	31,700		6,047	3,867				302	7,098	
Maint Labor-jones	29,938	20,800	1,248	6,047	1,991					995	
Maint Labor-parttime-lee	3,895	3,000			895						
Maint Labor-miller	32,750	28,052	4,341		1,993					6,898	
Maint Labor-smith	40,969	28,894	2,213	6,047	2,296					10,970	
Lead Maint-hines	41,870	31,200	1,872	6,047	2,887					10,663	
Total	255,035	188,858	10,822	30,228	15,808					1,843	68,069

Benton Harbor Housing Authority
FY 2000
Insurance

Description	AMP 1	AMP 2	AMP 3	Voucher	S&NC			COCG	Total
Fire & Casualty	26,512	47,132							73,644
Auto									0
General Liability	10,989	10,559							21,547
Workers comp	9,886	6,708		1,671			1,756		18,121
Bond Insurance	130	75		22			103		230
	0	0							0
	0	0							0
Total	47,417	64,474		1,693			1,959	7,668	120,581

check
120,581

Fire & Casualty - Property breakdown based on replacement value of properties

Public Employees and workers comp are based on number of employees

Programs	Employee	Percentage
AMP 1	7.1	38%
AMP 2	4.1	23%
AMP 3	0	
Voucher	1.2	7%
S&NC		
COCG	5.8	31%
Total	19	100%

General Liability
 Based on Amp 1 and 2 by unit Amp 1--145 Amp 2--135

General and Mold	10,989	10,558	21,547
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Benton Harbor Housing Authority

FYE 9/30/08

Excess Utilities

Description	AMP 1	AMP 2	AMP 3	Voucher	S/B NC	0			Total
Air Conditioners/washer&driers	\$ 3,000.00								\$ 3,000.00
									\$
									\$
									\$
									\$
									\$
									\$
									\$
									\$
									\$
Total	\$ 3,000.00	\$	\$	\$	\$	\$	\$	\$	\$ 3,000.00

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***** -IND. XMT JOURNAL- ***** DATE JUN-26-2007 TIME 20:59 *****

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COMM.RESULT = OK
PAGE(S) = 007/007
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FILE No. = 177
MODE = MEMORY TRANSMISSION
DESTINATION = 932750E4
RECEIVED ID = BHC-925 Buss Av / 269 927 5884
RESOLUTION = STD

-BENTON HARBOR HOUSING -

***** -BH HOUSING

- ***** 269 927 6112- *****

**Operating Fund
Calculation of Operating Subsidy
PHA-Owned Rental Housing**

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

OMB Approval No. 2577-0029 (exp. 10/31/2008)

Public Reporting Burden for this collection of information is estimated to average 75 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is required by Section 9201 of the U.S. Housing Act of 1937, as amended, and by 24 CFR Part 880 HUD regulations. HUD makes payments for the operation and maintenance of low-income housing projects to PHAs. The Operating Fund determines the amount of operating subsidy to be paid to PHAs. PHAs provide information on the Project Expense Level (PEL), Utilities Expense Level (UEL), Other Formula Expenses (Add-ons) and Formula Income - the major Operating Fund components. HUD reviews the information to determine each PHA's Formula Amount and the funds to be obligated for the Funding Period to each PHA based on the appropriation by Congress. HUD also uses the information as the basis for requesting annual appropriations from Congress. Responses to this collection of information are required to obtain a benefit. The information requested does not need to be identifiable.

Section 1

1. Name and Address of Public Housing Agency: Benton Harbor Housing Commission 721 Main Wells Drive Benton Harbor, MI 49022		2. Funding Period: 01/01/2007 to 12/31/2007
4. ACC Number: C-3026		3. Type of Submission: <input type="checkbox"/> Original <input type="checkbox"/> Revision No.
5. Fiscal Year End: <input type="checkbox"/> 12/31 <input type="checkbox"/> 03/31 <input type="checkbox"/> 06/30 <input type="checkbox"/> 09/30		6. Operating Fund Project Number: MI01000107D
7. DUNS Number: 172912188	HUD Use Only	
8. ROFO Code: 0533		

Section 2

Calculation of ACC Units for 12-month period from July 1 to June 30 that is prior to the first day of the Funding Period:

	ACC Units on 7/1/2006	Units Added to ACC (+)	Units Deleted from ACC (-)	ACC Units on 6/30/2006 (+)
Requested by PHA	370	0	04	376
HUD Modifications				

Line No.	Category	Column A Unit Months		Column B Eligible Unit Months (EUMs)		Column C Resident Participation Unit Months	
		Req'd by PHA	HUD Mod.	Req'd by PHA	HUD Mod.	Req'd by PHA	HUD Mod.

Categorization of Unit Months:

Occupied Unit Months

01	Occupied dwelling units - by public housing eligible family under lease	2,744		2,744		2,744	
02	Occupied dwelling units - by PHA employee, police officer, or other security personnel who is not otherwise eligible for public housing	0				0	
03	New units - eligible to receive subsidy during the Funding Period but not included on Lines 01, 02, or 05-13 of this section	348		348		348	
04	New units - eligible to receive subsidy from 10/1 to 12/31 of previous funding period but not included on previous Calculation of Operating Subsidy	0		0		0	

Vacant Unit Months

05	Units undergoing modernization	38		38			
06	Special use units	0		0			
06a	Units on Line 02 that are occupied by police officers and that also qualify as special use units			0			
07	Units vacant due to litigation	0		0			
08	Units vacant due to disasters	0		0			
09	Units vacant due to casualty losses	0		0			
10	Units vacant due to changing market conditions	0		0			
11	Units vacant and not categorized above	0		0			

Other ACC Unit Months

12	Units eligible for asset repotitoning fees and still on ACC (occupied or vacant)						
13	All other ACC units not categorized above	550					

Calculations Based on Unit Months:			
14	Limited vacancies		0
15	Total Unit Months	3,550	3,550
16	Units eligible for funding for resident participation activities (Line 15C divided by 12)		296
Special Provision for Calculation of Utilities Expense Level:			
17	Unit months for which actual consumption is included on Line 01 of form HUD-52722 and that were removed from Lines 01 through 11, above, because of removal from inventory, including eligibility for the asset repositioning fee		0
Section 3			
Line No.	Description	Requested by PHA	HUD Modifications
Part A. Formula Expenses			
Project Expense Level (PEL)			
01	PUM project expense level (PEL)	\$315.84	
02	Inflation factor	1.02400	
03	PUM inflated PEL (Part A, Line 01 times Line 02)	\$323.52	
04	PEL (Part A, Line 03 times Section 2, Line 15, Column B)	\$1,012,610	
Utilities Expense Level (UEL)			
05	PUM utilities expense level (UEL) (from Line 26 of form HUD-52722)	\$119.05	
06	JEL (Part A, Line 05 times Section 2, Line 15, Column B)	\$372,827	
Add-Ons			
07	Self sufficiency	\$0	
08	Energy loss amortization	\$0	
09	Payment in lieu of taxes (PILOT)	\$20,500	
10	Cost of independent audit	\$8,795	
11	Funding for resident participation activities	\$8,450	
12	Asset management fee <input type="checkbox"/> Eligible for an Asset Management Fee	\$14,640	
13	Information technology fee	\$7,320	
14	Asset repositioning fee	\$230,470	
15	Costs attributable to changes in federal law, regulation, or economy	\$0	
16	Total Add-Ons (Sum of Part A, Lines 07 through 15)	\$278,274	
17	Total Formula Expenses (Part A, Line 04 plus Line 03 plus Line 16)	\$1,290,884	
Part B. Formula Income			
01	PUM formula income	\$154.81	
02	PUM change in utility allowances	\$26.67	
03	PUM adjusted formula income (Sum of Part B, Lines 01 and 02)	\$127.94	
04	Total Formula Income (Part B, Line 03 times Section 2, Line 15, Column B)	\$400,442	
Part C. Other Formula Provisions			
01	Moving-In-Walk (MIW)	\$0	
02	Transition funding	-\$29,516	
03	Other	\$0	
04	Total Other Formula Provisions (Sum of Part C, Lines 01 through 03)	-\$29,516	
Part D. Calculation of Formula Amount			
01	Formula calculation (Part A, Line 17 minus Part B, Line 04 plus Part C, Line 04)	\$1,233,551	
02	Cost of independent audit (Same as Part A, Line 10)	\$8,795	
03	Formula amount (Greater of Part D, Lines 01 or 02)	\$1,233,551	
Part E. Calculation of Operating Subsidy (HUD Use Only)			
01	Formula amount (Same as Part D, Line 03)		
02	Adjustment due to availability of funds		
03	HUD discretionary adjustments		
04	Funds Obligated for Period (Part E, Line 01 minus Line 02 minus Line 03)		
	Appropriation symbol(s)		

356 Washington
360 Washington
385 Cedar
481 Vineyard
473 Vineyard
463 Vineyard
464 Vineyard
458 Vineyard
418 Lincoln
424 Lincoln
375 Brunson
157 Jefferson
169 Jefferson
750 LaSalle
782 LaSalle
838 LaSalle
506 Catalpa
569 Heck
554 Heck
546 Heck
538 Heck
530 Heck

Line 03 of 52723

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NEW UNITS BUILT AND OCCUPIED IN 2007 CALENDAR YEAR

Address	Move in Date	Subsidy
		Revised 6/20/2007
669 E Empire	28-Feb	11
826 E Empire	25-Apr	9
525 E Empire	28-Feb	11
876 Monroe	16-Feb	11
870 Monroe	28-Feb	11
844 Monroe	16-Feb	11
784 Monroe	16-Feb	11
788 Monroe	28-Feb	11
553 Niles	31-Jan	12
575 Niles	28-Feb	11
589 Niles	31-Jan	12
591 Niles	30-Jan	12
586 Niles	28-Feb	11
864 Ogden	1-May	8
856 Ogden	28-Feb	11
840 Ogden	28-Feb	11
832 Ogden	9-Mar	10
759 Ogden	28-Feb	11
754 Ogden	15-Mar	10
676 Ogden	5-Mar	10
848 Ogden	16-Feb	11
739 Superior		
755 Superior	31-Mar	10
834 Superior	15-Mar	10
846 Superior	31-Mar	10
847 Superior	9-Mar	10
857 Superior	9-Mar	10
871 Superior	27-Apr	9
870 Superior	31-Mar	10
785 Columbus	31-Mar	10
741 Columbus	31-Mar	10
735 Columbus	27-Apr	9
381 Brunson		
606 Columbus		
788 Pearl		
774 Broadway		
738 Broadway	1-May	8
346 Broadway		
483 Foster		
433 Foster		
427 Foster	31-May	8
180 Cataipa	31-May	8
320 Britian		
306 Britian		
261 Kirby		
384 Washington		
374 Washington		
371 Washington		

Section 4

Remarks (provide section, part, and line numbers):

Section 5

Certifications

- In accordance with 24 CFR 980.815, I hereby certify that Benton Harbor Housing Commission is in compliance with the annual income examination requirements and that rents and utility allowance calculations have been or will be adjusted in accordance with current HUD requirements and regulations.
- In accordance with 24 CFR 980.193(f), I hereby certify that Benton Harbor Housing Commission has fewer than 250 units and has elected to transition to asset management and therefore is eligible to receive an asset management fee.
- 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. Criminal offenses may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3728, 3002)

Signature of Authorized PHA Representative & Date:

Signature of Authorized HUD Representative & Date:

B. J. Harswell

x

Certification for a Drug-Free Workplace

U.S. Department of Housing
and Urban Development

Applicant Name

Benton Harbor Housing Commission

Program/Activity Receiving Federal Grant Funding

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement, notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibitions.

b. Establishing an on-going drug-free awareness program to inform employees --

- (1) The dangers of drug abuse in the workplace;
- (2) The Applicant's policy of maintaining a drug-free workplace;
- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will --

- (1) Abide by the terms of the statement; and
- (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted --

- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the sites for the performance of work done in connection with the HUD funding of the program/activity shown above. Places of Performance shall include the street address, city, county, State, and zip code. Identify each site with the Applicant name and address and the program/activity receiving grant funding.)

Check Here if there are workplaces on file that are not identified on the attached sheets

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment hereto, 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
Juanita Gibbs

Title
Interim Executive Director

Signature
X 

Date
7-14-08

**Certification for
a Drug-Free Workplace**

Benton Harbor Housing Commission

2. Sites for Work **Performance.**

MI 10-1 721 Nate Wells Dr., Benton Harbor, Michigan 49022 Capital Fund Program

MI 10-2 721 Nate Wells Dr., Benton Harbor, Michigan 49022 Capital Fund Program

MI 10-3 721 Nate Wells Dr., Benton Harbor, Michigan 49022 Capital Fund Program

MI 10-5 721 Nate Wells Dr., Benton Harbor, Michigan 49022 Capital Fund Program

MI 10-7 721 Nate Wells Dr., Benton Harbor, Michigan 49022 Capital Fund Program

MI 10-9 721 Nate Wells Dr., Benton Harbor, Michigan 49022 Capital Fund Program

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

Disclosure of Lobbying Activities

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure)

<p>1. Type of Federal Action:</p> <p>a. contract <u>B</u> b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance</p>	<p>2. Status of Federal Action:</p> <p>a. bid/offer/application <u>A</u> b. initial award c. post-award</p>	<p>3. Report Type:</p> <p>a. initial filing <u>A</u> b. material change</p> <p>For material change only: Year _____ quarter _____ Date of last report _____</p>
<p>4. Name and Address of Reporting Entity:</p> <p><input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known</p> <p>Benton Harbor Housing Commission, 721 Nate Wells St. Dr. Benton Harbor, MI 49022</p> <p>Congressional District, if known:</p>	<p>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</p> <p style="text-align: center;">N/A</p> <p>Congressional District, if known:</p>	
<p>6. Federal Department/Agency:</p> <p style="text-align: center;">U.S. Department of HUD</p>	<p>7. Federal Program Name/Description: Capital Fund Program</p> <p>CFDA Number, if applicable: _____</p>	
<p>8. Federal Action Number, if known:</p>	<p>9. Award Amount, if known: \$ _____</p>	
<p>10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):</p> <p style="text-align: center;">NONE</p>	<p>b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):</p> <p style="text-align: center;">N/A</p>	
<p>11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>	<p>Signature: <u>Juanita G. Lee</u></p> <p>Print Name: <u>Juanita G. Lee</u></p> <p>Title: <u>Interim Executive Director</u></p> <p>Telephone No.: <u>269-927-3546</u> Date: <u>7-14-08</u></p>	
<p>Federal Use Only</p>	<p>Authorized for Local Reproduction Standard Form - L11 (Rev. 7-97)</p>	

**Certification of Payments
to Influence Federal Transactions**

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

Applicant Name

Reitor Harbor Housing Commission

Program/Activity Receiving Federal Grant Funding

Capital Funds

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form or Report Lobbying, in accordance with its instructions.

(4) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompanying 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, 1015, 1016; 31 U.S.C. 3729, 3802)

Name of Authorized Official

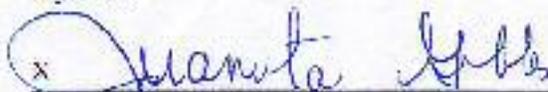
Title

Juanita Gibbs

Interim Executive Director

Signature

Date (mm/dd/yyyy)

X 

7-14-08

Previous edition is obsolete

Form HUD 500/1 (290)
ref. Handbooks 7417.1, 7475.13, 7485.1, & 7485.3

**PHA Certifications of Compliance with the PHA Plans and Related Regulations:
Board Resolution to Accompany the *Standard Annual, Standard 5-Year/Annual, and
Streamlined 5-Year/Annual PHA Plans***

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 __standard Annual, x standard 5 Year/Annual or __ streamlined 5-Year/Annual PHA Plan for the PHA fiscal year beginning 10/2008, 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 Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (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 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, identify any impediments to fair housing choice within those programs, address 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 maintain records reflecting these analyses and actions.
7. For PHA Plan that includes a policy for site based waiting lists:
 - The PHA regularly submits required data to HUD's MTCS in an accurate, complete and timely manner (as specified in PIH Notice 99-2);
 - 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 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 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.

13. 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.

14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.103(a).

15. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.

16. 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.

17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 33.

19. 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) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).

20. 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.

21. 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.

Benton Harbor Housing Commission

MI010

PHA Name

PHA Number/HA Code

Standard PHA Plan for Fiscal Year 20

Standard Five-Year PHA Plan for Fiscal Years 2008 - 2012, including Annual Plan for FY 2008

Streamlined Five-Year PHA Plan for Fiscal Years 20 - 25, including Annual Plan for FY 20

I hereby certify that all the information stated herein is true and accurate and that any information provided in this application, wherever it is true and accurate. Warning: HUD will create false claims and payments. Conviction may result in fines and/or penalties. (24 U.S.C. 1001, 1012, 1012-2, 115, 115A, 115B, 115C)

Name of Authorized Official

Title

Signature

Date

Ralph Benshaw
x Ralph Benshaw

7/14/08

PHA Board Resolution
Approving Operating Budget

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing -
Real Estate Assessment Center (PH-REAC)

OMB No. 2577-0078
(Exp. 10/31/2007)

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to provide this information, unless it displays a currently valid OMB control number.

This information is required by Section 6103(f) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name Benton Harbor Housing Commission PHA Code MI-010

PHA Fiscal Year Beginning: 2008 Board Resolution Number: 405058

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- Operating Budget approved by Board resolution on: 5/20/2008
- Operating Budget submitted to HUD, if applicable, on: _____
- Operating Budget revision approved by Board resolution on: _____
- Operating Budget revision submitted to HUD, if applicable, on: _____

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (d); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, 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 and 3802)

Ralph Clenshaw
Print Board Chairperson's Name:

Ralph Clenshaw
Signature:

7/14/08
Date:

Membership of the Resident Advisory Board or Boards

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

According to the regulations 24 CFR 903.13, if a jurisdiction-wide resident council exist that compiles with the tenant participation regulations in Part 964, the PHA shall appoint the jurisdiction-wide resident council or the council's representative as the Resident Advisory Board.

The BHHC Resident Council will serve as the Resident Advisory Board.

Benton Harbor Housing Commission Resident Advisory Board.

Antquanetta Dawkins - President

Ura Green – Vice-President

Detwalla Doolitte- Sectary

Chrystal Gray- Treasure