



**REQUEST FOR PROPOSALS**

**FOR**

**ON-CALL THIRD PARTY PROPERTY MANAGEMENT**

**RFP No. 24-913-40**

**SUBMISSION DATE: THURSDAY, AUGUST 15, 2024**

**4:00 P.M. CST**

**PREPARED BY:**

**Housing Authority of New Orleans  
Procurement and Contracts Department  
4100 Touro Street  
New Orleans, LA 70122**

**ISSUED Friday, July 19, 2024**

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**RFP INFORMATION AT A GLANCE**

[Table No. 2]

AGENCY CONTACT PERSON	<b>Cheryl Morgan, Procurement and Contracts Manager</b> Telephone: (504) 670-3445 E-mail: <a href="mailto:cmorgan@hano.org">cmorgan@hano.org</a>
HOW TO OBTAIN THE RFP DOCUMENTS ON HANO'S WEBSITE	<ol style="list-style-type: none"> <li>1. Access <a href="http://www.hano.org">www.hano.org</a>.</li> <li>2. Click on the "Business" tab on the blue taskbar.</li> <li>3. Click on "Active Solicitations" and go to the specific solicitation.</li> <li>4. If you have any problems accessing the RFP documents, please contact Procurement at <a href="mailto:procurement@hano.org">procurement@hano.org</a>.</li> </ol>
PRE-PROPOSAL CONFERENCE	NO CONFERENCE HAS BEEN SCHEDULED
QUESTION SUBMITTAL DEADLINE	<b>Thursday, August 8, 2024, at 5:00pm CST</b>
HOW TO FULLY RESPOND TO THIS RFP BY SUBMITTING A PROPOSAL SUBMITTAL	<ol style="list-style-type: none"> <li>1. As directed within Section 3.2.1 of the RFP document, submit proposed pricing, where provided for, within the RFP.</li> <li>2. As instructed within Section 3.0 of the RFP document, submit four (4) copies of your "hard copy" proposal (<b>one (1) original</b> clearly marked or stamped "original" and <b>three (3) copies</b> of the required submittals) to HANO's Procurement and Contracts Department (physical address below) or an electronic submission of <b>one (1) technical proposal (each tabbed section <u>must</u> be marked by a cover sheet) and one (1) cost proposal</b> to HANO's e-portal (<a href="#">Proposal Submission Form</a>), as further specified herein</li> </ol>
PROPOSAL SUBMITTAL RETURN & DEADLINE	<b>*Thursday, AUGUST 15, 2024, 4:00 PM CT</b> Housing Authority of New Orleans Procurement and Contracts Department 4100 Touro Street New Orleans, LA 70122

**1.0 THE AGENCY'S RESERVATION OF RIGHTS.** The Agency reserves the right to:

**1.1 Right to Reject, Waive, or Terminate the RFP.** Reject any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by the Agency to be in its best interests.

**1.2 Right to Not Award.** Not to award a contract pursuant to this RFP.

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- 1.3 **Right to Terminate.** Terminate a contract awarded pursuant to this RFP, at any time for its convenience upon 10 days written notice to the successful proposer(s).
  - 1.4 **Right to Determine Time and Location.** Determine the days, hours, and locations that the successful proposer(s) shall provide the services called for in this RFP.
  - 1.5 **Right to Retain Proposals.** Retain all proposals submitted and not permit withdrawal for a period of 60 days subsequent to the deadline for receiving proposals without the written consent of HANO's Contracting Officer (CO).
  - 1.6 **Right to Negotiate.** Negotiate the fees proposed by the proposer entity.
  - 1.7 **Right to Reject Any Proposal.** Reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete proposals and/or proposals offering alternate or non-requested services.
  - 1.8 **No Obligation to Compensate.** Have no obligation to compensate any proposer for any costs incurred in responding to this RFP.
  - 1.9 **Right to Prohibit.** At any time during the RFP or contract process to prohibit any further participation by a proposer or reject any proposal submitted that does not conform to any of the requirements detailed herein.
  - 1.10 **Right to Reject - Obtaining Competitive Solicitation Documents.** HANO's website and Procurement Staff are the only official and appropriate means to obtain the RFP documents (and any other information pertaining to this RFP such as addenda). Accordingly, by submitting a response to this RFP the respondent thereby affirms that he/she obtained all information on the website.
- 2.0 **BACKGROUND.** The Housing Authority of New Orleans (HANO) is seeking on call property management services for various sites in its asset portfolio.
- 2.1 **SCOPE OF WORK/TECHNICAL SPECIFICATIONS:** The Housing Authority of New Orleans ("HANO") is the largest housing authority in the State of Louisiana and one of the tenth largest in the United States. HANO currently serves 4,744 families in affordable housing and provides housing to over 18,000 families through the Housing Choice Voucher Program.

HANO is primarily funded by the U.S. Department of Housing and Urban Development ("HUD") and has a current operating budget in excess of \$246,000,000. HANO also receives approximately \$6,000,000 annually in Capital Fund Program Funds.

The mission of HANO is to provide safe, decent, sanitary and affordable housing, economic opportunity and suitable living environment free from discrimination, through collaboration with the surrounding community, legal, and social services agencies. HANO has prepared a comprehensive redevelopment strategy to achieve its mission.

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The Housing Authority of New Orleans (HANO) is herein soliciting competitive proposals from Property Management firms qualified by substantial experience in the management of (i) low-income multi-family housing, (ii) public housing, (iii) Section 8 housing, and (iv) tax credit housing as per Section 42 of the Internal Revenue Code, to provide on call residential management, (v) tax credit compliance, (vi) investor and regulatory agency reporting, and (vii) related functions for various HANO properties. Firm(s) should have the capacity to mobilize within 60 days of contract execution.

\*\*This RFP covers current and future acquisitions added to HANO's asset portfolio.

**2.2 PART II -SCOPE OF WORK:** The successful respondent(s) shall provide management services to various HANO rental properties. The provision of such services is outlined in Appendix A of this RFP.

**3.0 PROPOSAL FORMAT.**

**3.1 Tabbed Proposal Submittal.** The Agency intends to retain the Contractor pursuant to a "Best Value" basis, not a "Low Bid" basis ("Best Value," in that the Agency will, as detailed within the following Section 4.0, consider factors other than just cost in making the award decision). Therefore, so that the Agency can properly evaluate the offers received, all proposals submitted in response to this RFP must be formatted in accordance with the sequence noted within the table below. Each category must be separated by numbered index dividers (which number extends so that each tab can be located without opening the proposal) and labeled with the corresponding tab reference also noted below.

[Table No. 3]

(1) RFP Section	(2) Tab No.	(3) Description
3.1.1	1	<b>Form of Proposal.</b> This Form is attached hereto as Attachment A to this RFP document. This 2-page Form must be fully completed, executed where provided thereon and submitted under this tab as a part of the proposal submittal.
3.1.2	2	<b>Form HUD-5369-C (8/93), <i>Certifications and Representations of Offerors, Non-Construction Contract.</i></b> This Form is attached hereto as Attachment B to this RFP document. This form must be fully completed, executed where provided thereon and submitted under this tab as a part of the proposal submittal.
3.1.3	3	<b>Profile of Firm Form.</b> The Profile of Firm Form is attached hereto as Attachment C to this RFP document. This 2-page Form must be fully completed, executed, and submitted under this tab as a part of the proposal submittal.

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3.1.4	4	<p><b>Proposed Services.</b> As more fully detailed within Section 2.0, <i>Scope of Work/Technical Specifications</i>, of this document, the proposer shall, at a minimum, clearly detail within the information submitted under this tab documentation showing:</p>
3.1.4.1		<p>As detailed within Section 4.1, Evaluation Factor No. 1, herein the proposer’s <b>DEMONSTRATED KNOWLEDGE &amp; RELEVANT EXPERIENCE</b>, in narrative format, provide a list of projects to include detailed information demonstrating your firm’s experience in Firm’s experience directly managing multi-family communities including public housing units</p> <ul style="list-style-type: none"> <li>- Management of communities with all public housing units</li> <li>- Management of communities comprised of 400+ units</li> </ul> <p>For each project identified provide:</p> <ul style="list-style-type: none"> <li>• Client name and address</li> <li>• Detailed description of scope of work</li> <li>• If sub-consultant, the primary consultant for whom the respondent’s services were performed</li> <li>• The dollar value of the contract for the services</li> <li>• The duration of the contract including start and completion dates, or projected completion date if still active.</li> <li>• Provide a reference contact at the current or past company including the address, phone number and email address.</li> </ul>
3.1.4.2		<p>As detailed within Section 4.1, Evaluation Factor No. 3, herein, the proposer’s <b>APPROACH/WORK PLAN</b> describe the company’s approach Provide a timeline including a start and completion date for each project listed.</p> <p>Provide a narrative regarding the anticipated approach that to be employed immediately upon execution of a contract. Include in the approach a methodology to identify how required tasks will be accomplished within the initial contract period.</p> <p>Soundness of firm’s approach to provide key management functions:</p> <ul style="list-style-type: none"> <li>- Property Management</li> <li>- Financial Accounting (cost-control experience, reporting, etc.)</li> <li>- Physical (Maintenance, Quality Controls, etc.)</li> <li>- Capital Funds</li> </ul>
3.1.4.3		<p>Demonstrated <b>COMPETENCE</b> applying regulatory and compliance standards for public housing (HUD) and tax credit (LIHTC)</p>
3.1.4.4		<p><b>APPROACH TO SCOPE OF WORK</b> and benchmarks listed under Appendix A</p>
3.1.4.5		<p><b>MANAGEMENT FEE</b></p>

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3.1.5	5	<b>Acknowledgement of Addenda.</b> Please check HANO's website under "Business" and "Active Solicitations" to confirm that you have read and acknowledged in writing all addenda issued and submit your acknowledgment of each addendum on Attachment G.
3.1.6	6	<b>Equal Employment Opportunity/Supplier Diversity.</b> The proposer must submit under this tab a copy of its Equal Opportunity Employment Policy and a complete description of the positive steps it will take to ensure compliance, to the greatest extent feasible, with the regulations detailed within the following Section 3.6 herein pertaining to supplier diversity (i.e., small, minority-, and women-owned businesses).
3.1.7	7	<b>Certification of Contractor Non-Exclusion</b> Attachment I
3.1.8	9	<b>Subcontractor/Joint Venture Information.</b> The proposer shall identify hereunder <b>whether or not</b> he/she intends to use any subcontractors for this job, if awarded, and/or if the proposal is a joint venture with another firm. Please remember that all information required from the proposer under the preceding tabs must also be included for any major subcontractors (10% or more) or from any joint venture.(If this does not apply, mark N/A)
3.1.9	10	<b>Section 3 Business Preference Documentation.</b> The proposer shall identify hereunder whether or not he/she intends to claim a Section 3 Business Concern. Attachment D
3.1.10	11	<b>Vendor Registration Form</b> Attachment J
3.1.11	12	<b>Corporate Resolution Form</b> Attachment K
3.1.12	<b>*Optional Tabs.</b> If no information is to be placed under any of the above noted tabs (especially the "Optional" tabs), please place a statement such as "NO INFORMATION IS BEING PLACED UNDER THIS TAB" or "THIS TAB LEFT INTENTIONALLY BLANK." <u>DO NOT</u> eliminate any of the tabs.	
3.1.13	<b>Proposal Submittal Binding Method.</b> It is preferable and recommended that the proposer bind the proposal submittals in such a manner that the Agency can, if needed, remove the binding (i.e., "spiral-type" etc.) or remove the pages from the cover (i.e., 3-ring binder; etc.) to make copies, then conveniently return the proposal submittal to its original condition.	

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**3.2 Entry of Proposed Fees.**

**3.2.1** *The proposed fees shall be submitted in a separate, sealed envelope using Attachment I. Do not refer to any fees or costs within the sealed 9-tab "hard copy" proposal submittal detailed within the preceding Section 3.0 herein.*

**3.2.2 Pricing Items.** Unless otherwise stated herein, the proposed fees are all-inclusive of all related costs that the successful proposer will incur to provide the noted services, including, but not limited to: employee wages and benefits; clerical support; overhead; profit; licensing; insurance; materials; supplies; tools; equipment; long distance telephone calls; travel expenses; document copying not specifically agreed to by the Agency; etc.

For the purpose of evaluation and subsequent negotiations, if required, the fee for each project position shall be broken down as follows:

[Table No. 4]

(1) RFP Section	(2) Position/Expense	(3) Description	(3) Hourly Rate	(4) Estimated # of Hours	(5) Total
3.2.1	<b>TOTAL ESTIMATED COST</b>	<b>Total Estimated Cost of Project</b>			

**3.3 Additional Information pertaining to the preceding listed Pricing Items.**

**3.3.1 Quantities.** All quantities entered by the Agency herein (especially within the immediate-preceding Table No. 4 herein) are for calculating purposes only. As may be further detailed herein, the Agency does not guarantee any minimum or maximum amount of work as a result of any award ensuing from this RFP, as the ensuing contract will be a Requirements Contract, in that the Agency shall retain one contractor only and shall retain the right to order from that contractor (successful proposer), on a task order basis, any amount of services the Agency requires.

**3.3.2 Price Escalation.** Pertaining to the ensuing contract, there shall be no escalation of the proposed unit costs allowed at any time during the awarded contract except as already provided for within the preceding Table No. 4 herein).

**3.3.3 Prior Approval Required.** Please note that the successful proposer shall NOT conduct any additional work without the prior written authorization of the Agency representative (which will occur, at the Agency’s discretion, via delivery of a Task Order, which may take the form of an e-mail). Failure to



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abide by this directive shall release the Agency of any obligation to pay the successful proposer for any work conducted without the noted prior written authorization.

**3.3.4 No Deposit/No Retainer.** The Agency will NOT pay any retainer fees as a result of award of the ensuing contract. This means that the Agency will pay the successful proposer for actual work performed only. Pertaining to the fixed fee Pricing Item.

**3.4 Proposal Submission.** All pricing must be submitted in a separate, sealed enclosure and all proposals must be submitted and time-stamped received in the designated Agency office by no later than the submittal deadline stated herein (or within any ensuing addendum). A total of 1 original signature copy (marked "ORIGINAL") and 3 copies (each of the 3 separate proposal submittals shall have a cover and extending tabs) of the "hard copy" proposal submittal, shall be placed in a sealed package and addressed to:

**Housing Authority of New Orleans  
Procurement and Contracts Department  
Attn: Cheryl Morgan, Procurement and Contracts Manager  
4100 Touro Street  
New Orleans, Louisiana 70122**

**3.4.1 Exterior of Submittal Package.** The package exterior must clearly denote the above noted RFP number and must have the proposer's name and return address. Proposals received after the published deadline will not be accepted.

**3.4.2 Submission Conditions.** DO NOT FOLD OR MAKE ANY ADDITIONAL MARKS, NOTATIONS OR REQUIREMENTS ON THE DOCUMENTS TO BE SUBMITTED! Proposers are not allowed to change any requirements or forms contained herein, either by making or entering onto these documents or the documents submitted any revisions or additions; and if any such additional marks, notations or requirements are entered on any of the documents that are submitted to the Agency by the proposer, such may invalidate that proposal. If, after accepting such a proposal, the Agency decides that any such entry has not changed the intent of the proposal that the Agency intended to receive, the Agency may accept the proposal and the proposal shall be considered by the Agency as if those additional marks, notations or requirements were not entered on such. By accessing and downloading these documents, each prospective proposer that does so is thereby agreeing to confirm all notices that the Agency delivers to him/her as instructed, and by submitting a proposal, the proposer is thereby agreeing to abide by all terms and conditions published herein and by addendum pertaining to this RFP.

**3.4.3 Submission Responsibilities.** It shall be the responsibility of each proposer to be aware of and to abide by all dates, times, conditions, requirements and

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specifications set forth within all applicable documents issued by the Agency, including the RFP document, the documents listed within the following Section 3.8 herein, and any addenda and required attachments submitted by the proposer. By virtue of completing, signing, and submitting the completed documents, the proposer is stating his/her agreement to comply with all conditions and requirements set forth within those documents. Written notice from the proposer not authorized in writing from HANO to exclude any of the Agency requirements contained within the documents may cause that proposer to not be considered for award.

**3.5 Proposer's Responsibilities – Contact with the Agency.** It is the responsibility of the proposer to address all communication and correspondence pertaining to this RFP process to the Procurement staff only. Proposers must not make inquiry or communicate with any other Agency staff member or official (including members of the Board of Commissioners) pertaining to this RFP. Failure to abide by this requirement may be cause for the Agency to not consider a proposal submittal received from any proposer who may not have abided by this directive.

**3.5.1 Addenda.** All questions and requests for information must be addressed in writing to **Cheryl Morgan, Procurement and Contracts Manager at [cmorgan@hano.org](mailto:cmorgan@hano.org), [procurement@hano.org](mailto:procurement@hano.org)**. Procurement will respond to all such inquiries in writing by addendum to all prospective proposers (i.e., firms or individuals that have obtained the RFP Documents). Proposers must provide written acknowledgement of addenda with their submissions.

**3.6 Proposer's Responsibilities – Equal Employment Opportunity and Supplier Diversity.** Both the Contractor and the Agency have, pursuant to HUD regulation, certain responsibilities pertaining to the hiring and retention of personnel and subcontractors.

**3.6.1** Within 2 CFR §200.321 it states:

**3.6.1.1** Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

**3.6.1.2 (a)** The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

**3.6.1.3 (2)** Affirmative steps must include:

**3.6.1.3.1 (1)** Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

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- 3.6.1.3.2 (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- 3.6.1.3.3 (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- 3.6.1.3.4 (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
- 3.6.1.3.5 (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- 3.6.1.3.6 (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

3.6.2 Within HUD Procurement Handbook 7460.8 REV 2 it states:

- 3.6.2.1 **Section 15.5.A, Required Efforts.** Consistent with Presidential Orders 11625, 12138, and 12432, the <Agency> shall make every effort to ensure that small businesses, MBEs, WBEs, and labor surplus area businesses participate in <Agency> contracting.
- 3.6.2.2 **Section 15.5.B, Goals.** <The Agency> is encouraged to establish goals by which they can measure the effectiveness of their efforts in implementing programs in support of . . . contracting with disadvantaged firms. It is important to ensure that the means used to establish these goals do not have the effect of limiting competition and should not be used as mandatory set-aside or quota, except as may otherwise be expressly authorized in regulation or statute. Some localities have adopted minority contracting set-aside policies or geographic limitations, which may be in conflict with Federal requirements for full and open competition.

3.6.3 Within HANO's Procurement Policy it states that our Agency will:

- 3.6.3.1 **Assistance to Small and Other Business, Required Efforts:**

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- 3.6.3.1.1 Including such firms, when qualified, on solicitation mailing lists;
- 3.6.3.1.2 Encouraging their participation through direct solicitation of proposals or proposals whenever they are potential sources;
- 3.6.3.1.3 Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- 3.6.3.1.4 Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
- 3.6.3.1.5 Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and,
- 3.6.3.1.6 Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above.

**3.6.4 Requirements.** Accordingly, please see Section 3.1.6 within Table No. 3 herein which details the information pertaining to this issue that the proposer must submit in response to this proposal showing compliance, to the greatest extent feasible, with these regulations.

**3.7 Pre-proposal Conference.** A pre-proposal conference has not been scheduled for this project.

**3.8 Recap of Attachments.** It is the responsibility of each proposer to verify that he/she has received the following attachments pertaining to this RFP, which are included as a part of this RFP:

[Table No. 5]

(1) RFP Section	(2) Document No.	(3) Attachment	(4) Description
3.8.1	1.0		This RFP Document
3.8.2	2.0		"No-Bid" Response Form
3.8.3	3.0	A	Form of Proposal
3.8.4	4.0	B	Form HUD-5369-C (8/93), <i>Certifications and Representations of Offerors, Non-Construction Contract</i>
3.8.5	8.0	C	Profile of Firm Form

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3.8.6	9.0	D	Section 3 Business Preference Form
3.8.7	10.0	E	Form HUD-5369-B (8/93), <i>Instructions to Offerors, Non-Construction</i>
3.8.8	11.0	F	<i>Supplemental Conditions for Proposers &amp; Contractors (SIPC)</i>
3.8.9	12.0	G	Acknowledgement of Addenda
3.8.10	13.0	H	Entry of Proposed Fees
3.8.11	14.0	I	Certification of Contractor Non-Exclusion
3.8.12	15.0	J	Vendor Registration Form
3.8.13	16.0	K	Corporate Resolution Form
3.8.14	17.0	L	HUD-5370-C Section I

**4.0 PROPOSAL EVALUATION.**

**4.1 Evaluation Factors.** The following factors will be utilized by the Agency to evaluate each proposal submittal received; award of points for each listed factor will be based upon the documentation that the proposer submits within his/her proposal submittal and on-line (specifically, the pricing submitted on-line):

[Table No. 6]

(1) Factor No.	(2) Max Point Value	(3) Factor Type	(4) Factor Description	(5) Also, Reference RFP Sections Herein
1	20 points	Subjective (Technical)	Firm's <b>EXPERIENCE</b> directly managing multi-family communities including public housing units. <ul style="list-style-type: none"> <li>- Management of communities with all public housing units</li> <li>- Management of communities comprised of 400+ units</li> </ul>	3.1.4.1
2	45 points	Subjective (Technical)	Soundness of firm's <b>APPROACH</b> to provide key management functions: <ul style="list-style-type: none"> <li>- Property Management</li> <li>- Financial Accounting (cost-control experience, reporting, etc.)</li> <li>- Physical (Maintenance, Quality Controls, etc.)</li> <li>- Capital Funds</li> </ul>	3.1.4.2
3	10 points	Subjective (Technical)	Demonstrated <b>COMPETENCE</b> applying regulatory and compliance standards for public housing (HUD) and tax credit (LIHTC)	3.1.4.3

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4	20 points	Subjective (Technical)	Approach to Scope of Work and benchmarks listed under Appendix A	3.1.4.4
5	5 points	Objective	The <b>PROPOSED COSTS</b> submitted by the proposer according to Section 3.2.	3.2
	100 points		<b>Total Possible Points</b>	
<p><b>*NOTE: Points will be awarded for each Subjective Factor by each of the appointed evaluation committee members based on his/her opinion after a thorough review of the information submitted by each proposer within his/her proposal.</b></p>				

**4.2 Evaluation Method**

**4.2.1 Initial Evaluation for Responsiveness.** Each proposal received will first be evaluated for responsiveness (i.e., meets the minimum of the requirements).

**4.2.2 Evaluation Packet.** An evaluation packet will be prepared for each evaluator, including the following documents:

- 4.2.2.1 Instructions to Evaluators;
- 4.2.2.2 Proposal Tabulation Form;
- 4.2.2.3 Written Narrative Form for each proposer;
- 4.2.2.4 Recap of each proposer’s responsiveness;
- 4.2.2.5 Copy of all pertinent RFP documents.

**4.2.3 Evaluation Committee.** The Agency anticipates that it will select a minimum of a three-person committee to evaluate each of the responsive “hard copy” and electronic proposals submitted in response to this RFP. PLEASE NOTE: No proposer shall be informed at any time during or after the RFP process as to the identity of any evaluation committee member. If, by chance, a proposer does become aware of the identity of such person(s), he/she SHALL NOT make any attempt to contact or discuss with such person anything related to this RFP. As detailed within Section 3.5 of this document, the designated Procurement contract is the only person at the Agency that the proposers shall contact pertaining to this RFP. Failure to abide by this requirement may (and most likely will) cause such proposer(s) to be eliminated from consideration for award.

**4.2.4 Evaluation.** The Procurement staff will evaluate and award points pertaining to Evaluation Factor Nos. 4, 5, and 6 (the “Objective” Factors). The appointed evaluation committee, independent of Procurement or any other person at the Agency, shall evaluate the responsive proposals submitted and award

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points pertaining to Evaluation Factors Nos. 1, 2, 3 (the “Subjective” Factors). Upon final completion of the proposal evaluation process, the evaluation committee will forward the completed evaluations to Procurement.

**4.2.4.1 Points Awarded Range.** Pertaining to the Subjective Factors, please note the following range of points awarded (points pertaining to this RFP are shaded – please also see the Evaluation Factors detailed within the preceding Section 4.1):

[Table No. 7]

Points Awarded Range						
Classification*	Rating	%	10	20	30	100**
Acceptable	Excellent	95%/+	10	19-20	29-30	95-100
Acceptable	Very Good	90%/+	9	18	27-28	90-94
Potentially Acceptable	Good	80%/+	8	16-17	24-26	80-89
Potentially Acceptable	Average	70%/+	7	14-15	21-23	70-79
Unacceptable	Poor	<70%	0-6	0-13	0-20	0-69
*Pursuant to Section 7.2.N.3 of HUD Procurement Handbook 7460.8 REV 2.						
**Total available points to be awarded, including cost points, minus preference points.						

**4.2.5 Potential "Competitive Range" or “Best and Finals” Negotiations.** The Agency reserves the right to, as detailed within Section 7.2.N through Section 7.2.R of HUD Procurement Handbook 7460.8 REV 2, conduct a “Best and Finals” Negotiation, which may include oral interviews, with all firms deemed to be in the competitive range.

**4.2.6 Determination of Top-ranked Proposer.** Typically, the subjective points awarded by the evaluation committee will be combined with the objective points awarded by Procurement to determine the final rankings, which is typically forwarded by the Executive Director for approval. If the evaluation was performed to the satisfaction of the Executive Director, the final rankings may be forwarded to the Housing Authority Board of Commissioners (BOC) at a scheduled meeting for approval. Contract negotiations may, at the Agency's option, be conducted prior to or after the BOC approval.

**4.2.6.1 Minimum Evaluation Results.** To be considered to receive an award a proposer must receive a total calculated average of at least 70 points (of the 100 total possible points detailed within Section 4.1 herein).

**4.2.6.2 Ties.** In the case of a tie in points awarded, the award shall be decided as detailed within Section 6.12.C of HUD Procurement

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Handbook 7460.8 REV 2, by “drawing lots or other random means of selection.”

**4.2.7 Notice of Results of Evaluation.** If an award is completed, all proposers will receive by e-mail a Notice of Results of Evaluation. Such notice shall inform all proposers of:

**4.2.7.1** Which proposer received the award;

**4.2.7.2** Where each proposer placed in the process as a result of the evaluation of the proposals received;

**4.2.7.3** The cost or financial offers received from each proposer;

**4.2.7.4** Each proposer’s right to a debriefing and to protest.

**4.2.8 Restrictions.** All persons having familial (including in-laws) and/or employment relationships (past or current) with principals and/or employees of a proposer entity will be excluded from participation on the Agency evaluation committee. Similarly, all persons having ownership interest in and/or contract with a proposer entity will be excluded from participation on the Agency evaluation committee.

### 5.0 CONTRACT AWARD.

**5.1 Contract Award Procedure.** If a contract is awarded pursuant to this RFP, the following detailed procedures will be followed:

**5.1.1** By completing, executing and submitting a proposal, the “proposer is thereby agreeing to abide by all terms and conditions pertaining to this RFP as issued by the Agency,” including the contract clauses already attached as Attachments G and G-1 through G-4, each attached hereto. Accordingly, the Agency has no responsibility to conduct after the submittal deadline any negotiations pertaining to the contract clauses already published.

**5.2 Contract Conditions.** The following provisions are considered mandatory conditions of any contract award made by HANO pursuant to this RFP:

**5.2.1 Contract Form.** The Agency will not execute a contract on the Contractor’s form – contracts will only be executed on the Agency form (please see Sample Contract, Attachments G and G-1 through G-4 each attached hereto), and by submitting a proposal the Contractor agrees to do so (please note that HANO reserves the right to amend this form as the Agency deems necessary). However, the Agency will during the RFP process (prior to the posted question deadline) consider any contract clauses that the proposer wishes to include therein and submits in writing a request for the Agency to do so; but the failure of the Agency to include such clauses does not give the Contractor



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the right to refuse to execute the Agency's contract form. It is the responsibility of each prospective proposer to notify the Agency, in writing, prior to submitting a proposal, of any contract clause that he/she is not willing to include in the final executed contract and abide by. The Agency will consider and respond to such written correspondence, and if the prospective proposer is not willing to abide by the Agency's response (decision), then that prospective proposer shall be deemed ineligible to submit a proposal.

**5.2.1.1 Mandatory HUD Forms.** Please note that HANO has no legal right or ability to (and will not) at any time negotiate any clauses contained within ANY of the HUD forms included as a part of this RFP.

**5.2.1.2 E-Verify Affidavit.** The Contractor must certify compliance with Louisiana's E-Verify requirements, in that the Contractor is registered, uses, and will continue to use the E-Verify, Federal Work Authorization Program throughout the contract period. This Form must be fully completed and executed where provided thereon by the successful proposer and will be a part of the ensuing contract (NOTE: It is NOT necessary to complete and submit this form as a part of the proposal submittal—only the awarded proposer(s) will be required to do so as a part of the contract execution).

**5.2.2 Assignment of Personnel.** HANO shall retain the right to demand and receive a change in personnel assigned to the work if HANO believes that such change is in the best interest of HANO and the completion of the contracted work.

**5.2.3 Unauthorized Sub-contracting Prohibited.** The Contractor shall not assign any right, nor delegate any duty for the work proposed pursuant to this RFP (including, but not limited to, selling or transferring the contract) without the prior written consent of HANO. Any purported assignment of interest or delegation of duty, without the prior written consent of HANO shall be void and may result in the cancellation of the contract with the Agency, or may result in the full or partial forfeiture of funds paid to the Contractor as a result of the proposed contract; either as determined by HANO.

**5.3 Contract Period.** The Agency anticipates that it will award a contract for the initial period of two (2) years with an option to extend for two (2) years.

**5.4 Licensing and Insurance Requirements.** Prior to award (but not as a part of the proposal submission) the *Contractor* will be required to provide:

**5.4.1 Workers Compensation Insurance.** An original certificate evidencing the proposer's current industrial (worker's compensation) insurance carrier and

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coverage amount not less than \$100,000.00 (NOTE: Workers Compensation Insurance will be required of any Contractor that has employees other than just the owner working on-site to provide the services);

- 5.4.2 General Liability Insurance.** An original certificate evidencing General Liability coverage, naming HANO as an additional insured, together with the appropriate endorsement to said policy reflecting the addition of HANO as an additional insured under said policy (minimum of \$1,000,000 each occurrence, general aggregate minimum limit of \$1,000,000, together with damage to premises and fire damage of \$50,000 and medical expenses any one person of \$5,000), with a commercially reasonable deductible (i.e., "commercially reasonable," meaning at least 1% of the "general aggregate minimum" of the policy, with a maximum deductible amount of \$50,000);
- 5.4.3 Professional Liability Insurance (and/or Errors & Omissions).** An original certificate showing the proposer's professional liability and/or "errors and omissions" coverage (minimum of \$1,000,000 each occurrence, general aggregate minimum limit of \$1,000,000), with a commercially reasonable deductible (i.e., "commercially reasonable," meaning at least 1% of the "general aggregate minimum" of the policy, with a maximum deductible amount of \$50,000);
- 5.4.4 Automobile Insurance.** An original certificate showing the proposer's automobile insurance coverage in a combined single limit of \$500,000. For every vehicle utilized during the term of this program, when not owned by the entity, each vehicle must have evidence of automobile insurance coverage with limits of no less than \$100,000/\$300,000 and medical pay of \$5,000.
- 5.4.5 City/County/State Business License.** If applicable, a copy of the proposer's business license allowing that entity to provide such services within the City of New Orleans, Orleans Parish, and/or the State of Louisiana.
- 5.4.6 Certificates/Profile of Firm Form.** Pertaining to the aforementioned (within Sections 5.4.1 through 5.4.5) insurance certificates and licenses, each proposer is required to enter related information where provided for on the Profile of Firm Form (do not attach or submit copies of the insurance certificates or licenses within the proposal submittal—we will garner the necessary documents from the successful proposer prior to contract execution).
- 5.5 Contract Service Standards.** All work performed pursuant to this RFP must conform and comply with all applicable local, state and federal codes, statutes, laws, and regulations.
- 5.6 Prompt Return of Contract Documents.** Any and all documents required to complete the contract, including contract signature by the successful proposers, shall be provided to the Agency within 10 workdays of notification by the Agency.

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**Index of Tables**

**[Table No. 8]**

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**“NO BID” RESPONSE FORM**

If you do not wish to bid/submit a proposal on this solicitation, please provide written notification of your decision. Your responses assist with planning future solicitations. Please indicate below in the appropriate area the reason(s) for your decision and return this page. Responses do not prohibit you from receiving future opportunities unless you request to be removed from future communications. This form may be returned to the address listed below, emailed to [procurement@hano.org](mailto:procurement@hano.org), or faxed to 504-286-8224.

Check all that apply:

- I am submitting a “No Bid” at this time.  
**Please keep my name on the Agency’s Bidder’s List.**
  - Too busy at this time
  - Job too small
  - Job too large
  - Territory too large to cover
  - Cannot meet delivery requirements
  - I cannot meet the Terms and Conditions of the solicitation because:
    - I do not provide products/services of this nature.
    - Insufficient time to respond to solicitation
    - Unable to meet bond/insurance requirements
    - Specifications too restrictive. Please explain:  
\_\_\_\_\_  
\_\_\_\_\_
  - Specifications unclear. Please explain:  
\_\_\_\_\_  
\_\_\_\_\_
  - Other: \_\_\_\_\_
- Please remove my name from this product/service category. I wish to submit a revised Vendor Registration Form. You may receive a copy by email by contacting Procurement at [procurement@hano.org](mailto:procurement@hano.org).
- I no longer wish to do business with Housing Authority of New Orleans. Please remove my name from the Agency’s Source List(s).

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Authorized Representative

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Email

Please return this completed form to:  
**Housing Authority of New Orleans**  
Procurement & Contracts Department  
4100 Touro St.  
New Orleans, LA 70122

Email: [procurement@hano.org](mailto:procurement@hano.org) Fax: 504-286-8224

# **RFP**

## **Appendix A**

### **Scope of Work**

### **Specifications**

## **Scope of Work (SOW)**

DISCLOSURE: For purposes of this scope of work, the term “OWNER” refers to HANO for all public housing properties.

The successful property management firm(s) (“Firm” or “Firms”) shall provide all the necessary personnel, supervision, equipment, tools, supplies, materials, transportation, and any other item(s), resource(s), or service(s) needed to perform the following, which includes, but is not necessarily limited to:

### **1. Administrative / General Office Procedures**

#### **1.1 Administrative Oversight**

- 1.1.1 Provide adequate administrative oversight to ensure all contractual obligations are achieved.
- 1.1.2 Provide management-level personnel who shall supervise the Property Management site-level personnel and serve as the point of contact for the OWNER’S representatives.

#### **1.2 Technology**

- 1.2.1 Ensure assigned personnel will limit the use of technology for professional purposes only.
- 1.2.2 Properly maintain all equipment consisting of computers, copier, telephones, fax machines, prints/scanners, email, internet, etc.

#### **1.3 Hours of Operation**

- 1.3.1 Ensure that OWNER’s sites:
  - 1.3.1.1 Comply with the official business hours of 8 A.M. to 5 P.M., Monday thru Friday;
  - 1.3.1.2 Have holiday schedules that conform to the schedule administered by OWNER; Exception: HANO Asset Management will need to receive requests, to approve 72 hours in advance for staff to work on a scheduled HANO holiday. Staff should not be paid overtime, however given the option to use the day as a floater during the same payroll week; and,
  - 1.3.1.3 Are equipped to handle after-hours maintenance and management operations, when necessary.

#### **1.4 After-Hours Coverage**

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- 1.4.1 Answer office phones 24 hours a day, 365 days a year.
- 1.5 File Retention
  - 1.5.1 Ensure all files are maintained and properly stored for at least seven (7) years; from the date of the last transaction (eviction, removal from wait list, etc.).
- 1.6 Confidentiality
  - 1.6.1 Ensure confidentiality, by securing and properly storing information, along with providing limited access to certain files and information.
- 1.7 Bulletin Boards

Create and maintain information centers and/or bulletin boards with accurate information consisting of, but not limited to: Sample Lease Agreements, House Rules, Grievance Policy, Income Limits, Admission & Continued Occupancy Policy (ACOP), Tenant Selection Plan, Office Hours, Schedule of Maintenance Charges, Utility Allowance, Event Calendar, Local Resources, Emergency Contact Information, Fair Housing Posters/Logos, Equal Employment Opportunity Poster, Language Requirement, etc.
- 1.8 Key Control
  - 1.8.1 Implement comprehensive key control procedures with verifiable inventory control.
- 1.9 Accessibility
  - 1.9.1 Ensure compliance with all applicable Civil Rights, including Executive order 11063, Section 504 of the Rehabilitation Act of 1973, the Fair Housing Amendment Act and Title II of the ADA.
- 1.10 Annual Inventory
  - 1.10.1 Perform and document an annual inventory of tangible assets.
- 1.11 Financial Record Keeping
  - 1.11.1 Retain financial records for the property which includes but is not limited to records involving documentation of rent receipts, operating expenses, accounting for deposits and disbursements, work orders and invoices for goods and services.
- 1.12 Lease Enforcement
  - 1.12.1 Fully execute all terms of OWNER's lease agreements, which includes, but is not limited to timely rent payments, community service requirements,

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reporting income/family changes, annual/interim reviews, housekeeping standards, etc.

1.12.2 Ensure assigned personnel are educated and trained on OWNER's lease agreements and other required forms/documents.

2. Management Operations / Leasing

2.1 Personnel

2.1.1 Provide competent personnel to assume key management and maintenance functions, at the sites. The OWNER must receive the qualifications of the prospective site managers and maintenance supervisors or maintenance managers prior to being assigned to the site.

2.1.1.1 The site manager occupying management of communities with all public housing units must have site management knowledge, including experience managing subsidized properties and property management certification such as CPM, ARM, and//or PHM preferred. The person managing maintenance operations must have experience in property maintenance, including supervisory position and hold appropriate licenses.

2.1.1.2 The site manager occupying management of mixed-income communities, including public housing, tax credit, project and tenant and project base vouchers (PBV), and market units must have site management knowledge, including experience at multi-financial layered financing properties and property management certification such as TCS, HCCP, HCVS, CPM, ARM, and//or PHM preferred. The person managing maintenance operations must have experience in property maintenance, including supervisory position and hold appropriate licenses.

2.2 Rent Collection

2.2.1 Collect and enforce the collection of rent and other charges due from tenants in accordance with the terms of their lease. The Manager will be responsible for collection of rents and charges owed by residents, as well as any and all requests necessary for Housing Choice Voucher and/or LIHTC subsidy funding.

2.2.1.1 Place deposits (consisting of rent and other charges), in the Operating Account.

2.2.2 Firm shall have the right to institute legal proceedings with legal counsel



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for the collection of such rentals and charges and for the dispossession of tenants and others from Property.

2.2.2.1 The property manager is required to meet applicable Tenant Accounts Receivable regulatory and policy performance standards, in each month. Failure to comply to each performance standard separately, may result in Owner fee retention.

### 2.3 Utility Allowances

2.3.1 Ensure assigned employees are trained in making the necessary annual utility adjustments (in the tenant management system) and can explain utility allowance/adjustments to tenants.

2.3.2 Note: OWNER's residents either pay for their utility costs in their rent (project paid utilities) or submit payments directly to select utility firm. Resident-paid utilities receive reduced rent based on an Allowance for Utilities that is established by the OWNER.

### 2.4 General Management Functions

2.4.1 Perform the following property management tasks in accordance with HANO's Admissions and Continued Occupancy Policy. (see attachment Appendix B):

2.4.1.1 Operating program functions utilizing approved Property Management & Accounting Software.

2.4.1.1.1 Ensure how assigned personnel are trained and prepared to do the following tasks, which includes, but is not limited to: Move-ins Annual/Interim Reviews, Posting Payments/Charges, Inspections, etc.).

2.4.1.1.2 Note: OWNER provides the required tenant software for firm(s) to process all management functions for public housing units. OWNER will allow alternative use of other software for the management of non-public housing units.

2.4.1.1.3 Note: OWNER will transition to another software in the near future, the awardee(s) are expected to transition when the software comes online.

2.4.1.2 Move- Inspection

2.4.1.2.1 Complete all required forms and data-entry tasks to

ensure all new Move-Ins are conducted correctly, including assigning personnel to escort all new tenants to the unit to conduct a Move-Inspection in accordance with PH and HCV protocol.

2.4.1.3 Lease Execution

2.4.1.3.1 Complete all required forms, calculations, verifications, electronic submissions and data-entry tasks for executing a lease, accurately. Personnel shall also ensure tenants understand critical tenant duties and responsibilities, along providing them with copies of all documents. Compliance reviews for public housing programming should be processed according to HUD regulatory requirements. Compliance reviews for Low Income Housing Tax Credit (LIHTC) should be processed according to regulatory requirements

2.4.1.4 Resident Charges

2.4.1.4.1 Conduct the necessary inspections to ensure appropriate changes are billed to residents appropriately and within a timely manner.

2.4.1.5 Tenant Reviews

2.4.1.5.1 Conduct annual and interim reviews to determine tenants' eligibility for admission and continued occupancy, based on applicable regulatory entity and requirements. Firms are required to ensure their personnel competence in completing all required forms, calculations, data entry and verifications in accordance to OWNER's policy and federal regulations. Typical information included in reviews includes income, family composition, age, relationship of household members, eligibility for deductions/preferences, citizenship/immigrants' status and tenant history.

2.4.1.6 Lease Renewal

2.4.1.6.1 Review annually, all residents' tenancy as a part of their annual reexamination, based on applicable regulatory entity and requirements. Conduct general compliance reviews to ensure occupants complied

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with their lease agreements. Residents who have not complied with their tenant responsibility(ies) shall be forwarded to OWNER for administrative review for eviction.

### 2.4.1.7 Termination of the Lease

2.4.1.7.1 Enforce the termination of a lease.

### 2.4.1.8 Move-Out Process

2.4.1.8.1 Conduct all move-outs in a professional and organized manner regardless of the basis (voluntary and/or duress).

### 2.4.1.9 Monitoring Unit Turnover

2.4.1.9.1 Ensure vacant units are prepared and occupied within 30 days.

### 2.4.10.1 Formal Resident Grievances

2.4.10.1.1 Ensure formal resident grievances are conducted as required by OWNER.

### 2.4.11.2 Communications

2.4.11.2.1 Ensure there is frequent communication with tenants utilizing appropriate and reasonable methods to ensure information is distributed, in a timely manner.

## 2.5 Wait List

2.5.1 Interact with OWNER to retrieve files from a centralized and/or site base wait list maintained on site.

2.5.2 Independently manage a site-based wait list, if applicable to the site. Note: OWNER maintains a centralized and site-based wait list processes for its portfolio. The implementation of a wait list system varies by property.

## 3. Maintenance and Operations

### 3.1 Staffing

3.1.1 Ensure enough personnel resources and training are available to ensure the proper care of the property and the units.

3.1.2 General maintenance duties (i.e., supervision, routine, skilled trade, seasonal, inspections, etc.) will be completed at each site.

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3.2 Maintenance Plan and Standards

3.2.1 Maintain and have available a current Operation & Maintenance Plan.

3.2.2 Maintain the Property in first-class condition at all times in accordance with the criteria developed by OWNER (that will be amended from time to time), and as required to address any terms in the lease.

3.2.2.1 The condition of the property shall also be maintained so that it complies with any governmental or insurance requirement, the requirements of any restrictive covenants, security instruments and declarations, and financing documents, and similar requirements affecting the Property.

3.2.3 Promptly remedy any and all identified violation(s).

3.2.4 Complete preventive, seasonal and planned maintenance tasks, including but limited to unit interior, common areas, grounds, building systems, playground equipment, community gardens, etc.

3.2.4.1 The Site Manager will be expected to take a proactive approach to maintenance and perform all needed preventative maintenance work at the site. The Manager will submit to the Owner within 60 days of assuming management of site a preventive maintenance plan specifying building components and equipment that will be subject to preventive maintenance and the preventive maintenance schedule for each item.

3.3 Site Inspections

3.3.1 Conduct daily inspections at each site to ensure timely identification of property/exterior unit damages, vandalism, accidents, curb appeal, fire/safety problems etc.

3.4 Work Order

3.4.1 Capture all maintenance work (including routine, nonroutine and emergency, but excluding general cleaning and porter services) on a work order.

3.4.1.1 Emergency:

Emergency work orders are defined as orders that address an immediate threat to life, health, safety to property or to the resident or are related to fire safety. The Owner's standard for completion of an emergency work order is for all orders to be completed or

abated within 24 hours.

3.4.1.2 Non-Emergency:

Non-emergency work orders are orders that address conditions that do not pose an immediate threat to life, health, safety to property or to the resident and not related to fire safety. The Owner's standard for the completion of non-emergency work orders is within three (3) days.

3.4.2 The property manager is required to meet applicable Work Order completion time in accordance to regulatory and policy performance standards. Failure to comply to each performance standard separately, may result in Owner fee retention. Personnel will record, close and bill repairs supported by a work-order, within the time period established by OWNER.

3.5 Annual Home Inspections

3.5.1 Implement a comprehensive schedule that allows annual inspections to be conducted for each unit in accordance to HUD's NSPIRE protocol. This should include a proposed schedule outlining what personnel will manage and implement the schedule to ensure 100% of the units will be inspected, within the time period authorized by OWNER.

3.5.1.1 Inspections:

The Owner's annual standard for inspections is for all housekeeping and mock NSPIRE inspections to be conducted each year. Further, all units must be inspected the property manager within 12 months of the previous inspection.

3.6 Cleaning and Preparing Vacant Units (Make-Ready)

3.6.1 Implement high standards to ensure vacant units are properly cleaned and prepared for the next occupant. All units shall be prepared in accordance with OWNER's and HUD's NSPIRE standards, within the time period authorized by OWNER.

3.6.2 The property managers are required to meet applicable regulatory and policy performance standards in the following areas, in a given month: Vacancy Rate and Vacant Unit Turn-Around time. Failure to comply to each performance standard separately may result in Owner fee retention.

3.6.3 Prepare vacant units which shall include but not limited to pre-inspections/move-out inspection, general cleaning, repairing, replacing,

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pest control, final inspections, etc.

3.6.4 Note: OWNER values the leasing of clean and functioning units. It is imperative that firms implement high standards to ensure vacant units are properly cleaned and prepared for the next occupant.

### 3.7 Inventory and Material Management

3.7.1 Maintain adequate levels of inventory that address property maintenance demands, at each site.

3.7.2 Ensure all property and maintenance inventory is secured.

### 3.8 Maintenance Contracts

3.8.1 Maintain on-going maintenance contracts (landscaping, fire/security alarm monitoring, pest control, trash, etc.) and small job contracts (painting, carpet cleaning, security building monitoring, pest control, etc.), that are executed for no longer for twelve (12) months.

3.8.1 Ensure general and small job contracts are procured correctly and timely in accordance with OWNER's policies and applicable federal regulations (including, but not limited to 2 CFR Part 200). This includes vendor registration, specifications, documents indicating comparison of quotes, executive contracts, quality inspections/controls of firms, etc.

## 4. Reporting / Notices

4.1 Provide reports and/or statistical analysis that demonstrates the OWNER's sites are functioning and performing at optimal levels, as requested by OWNER.

4.1.1 Note: OWNER shall establish a standard reporting schedule, along with special request submitted from time to time.

4.2 Ensure the following reports will be submitted accurately and timely:

4.2.1 Vacancy (list of vacant units, # of days units were vacant, loss revenue, etc.)

4.2.2 Admission/Move-in (list of new tenants and unit assignment)

4.2.3 Move-Out (List of voluntary and involuntary move-outs, reason, etc.)

4.2.4 Tenant Receivables (tenant charges collected for rent, repairs, fees, etc.)

4.2.5 Loss of Revenue (uncollected tenant charges for rent, repairs, fees, etc.)

4.2.6 Quality Control Reviews (# of units/systems inspected, # of deficiencies identified, # of work orders created, # of work orders closed)

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4.2.7 Maintenance Quality Reviews (# of work orders received, type of work orders received, average time (days) work order was open, etc.)

4.2.8 Site Report (information about other key policy, compliance and regulatory actions)

4.2.9 Community Service Reports - indicating completed hours and eligible tenants.

4.2.10 Unit/System Inspections - indicating the results of completed unit and system reports conducted, along with itemized deficiencies and corrective measures.

4.2.11 Any other reports requested by the OWNER.

4.3 The completion of most management functions shall include data-entry of critical information in OWNER's tenant software for electronic submission. It is imperative that this information be entered accurately and timely for reporting purposes.

4.4 Notify OWNER upon the receipt of all formal and informal communications received from any and all stakeholders (funders, investors, elected officials, etc.) regarding compliance, regulatory matters and tenant concerns.

4.4.1 Note: OWNER will review correspondences and collaborate with firm(s) on corrective actions and/or written responses.

5. Financial Management

5.1 Taxes/Assessment Fees

5.1.1 Pay all taxes and other governmental assessments on the Property and furnish the OWNER with copies of all assessment notices and tax bills promptly after receipt. Promptly notify OWNER of any notices or correspondence actually received regarding taxes or assessments with respect to the Property.

5.1.2 When requested by OWNER, file applications for abatement of taxes and assessments.

5.1.2.1 Note: It is OWNER's responsibility to diligently prosecute such applications at its' sole expense and is otherwise solely responsible and liable for any taxes or assessments.

5.2 Records and Reports

5.2.1 Account for and report the operations of the Property in accordance with

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Generally Accepted Accounting Principles (GAAP) set for certified public accounting.

5.3 Budgets

5.3.1 Provide OWNER with a budget within at least ninety (90) days prior to the end of each Fiscal Year End.

5.3.2 Submit to OWNER for its review and written approval:

5.3.2.1 An operating budget for the Property ("Operating Budget") setting forth in reasonable detail and on a monthly basis the estimated income and operating expenses of the Property for the following calendar year, including real estate taxes and Manager's compensation; and,

5.3.2.2 A capital improvement budget for the Property ("Capital Budget", and together with the Operating Budget, each a "Budget", and collectively the "Budgets") setting forth in reasonable detail a description of each capital improvement to the Property which Firm proposes for the following calendar year and the estimated cost of each such improvement.

5.3.3 Present in a format requested by OWNER, an Operating Budget and Capital Budget.

5.3.3.1 Note: In the event OWNER, in its reasonable judgment, disapproves of any proposed Operating Budget or Capital Budget submitted by Firm, OWNER shall give Firm written notice, in which event the Firm shall promptly make all revisions thereto which OWNER shall direct, and shall resubmit such budget so revised to OWNER for its review and approval. Until such time as a new Budget is approved, Firm shall operate the Property in accordance with the prior Budget approved by OWNER.

5.3.4 Firm and OWNER may propose changes to an approved Budget from time to time.

5.3.4.1 Note: Any change in the Capital Budget or increases or decreases shall be approved by the OWNER in advance. Firm will pay all property bills as they come due and make periodic requests for reimbursements in accordance with the Budgets. OWNER reserves the right to modify and/or update any Budget periodically throughout the applicable fiscal or calendar year.



5.4 Accounting Records

- 5.4.1 Maintain accurate books and records of all funds received and disbursed in connection with the management of the Property (together with sufficient supporting documentation), separately, and take the necessary steps to ensure they are not commingled with records or funds of other properties managed by the Firm. Said books and records shall be open for inspection and audit by OWNER's agents at all reasonable times.
- 5.4.2 Preserve such books and records for at least seven (7) years after the close of the Fiscal year to which they relate, understanding that some files (e.g., tenant files with outstanding grievances, G/Ls, P & Ls, etc.) are maintained indefinitely as directed by OWNER. The cost of any audit shall be at the expense of OWNER. Any adjustment in amount due and owing by either OWNER or Firm as a result of any such audit shall be paid within fifteen (15) business days following receipt of such audit.
- 5.4.3 Utilize best efforts to exercise control over accounting and financial transactions so as to protect OWNER's assets from theft or fraudulent activity on the part of Firm's employees. Losses arising from such instances will be borne by the Firm unless covered by insurance that protects OWNER.

5.5 Monthly Reports

- 5.5.1 Provide OWNER with the requested reports on or before the tenth (10<sup>th</sup>) day of each month.
- 5.5.2 Provide the following reports to OWNER to disclose as a minimum, all income (both received and accrued), expenses, and cash flow for the preceding month (accrual basis):
  - 5.5.2.1 Summary operating statement and detail operating statement prepared in a format showing budget comparison and variance from same;
  - 5.5.2.2 Statement of disbursements, itemizing each disbursement made during the monthly period by check number, amount and payee  
Summary schedule of aged accounts receivable itemizing all outstanding monies at the close of the monthly accounting period and listing all monies collected for the month;
  - 5.5.2.3 Descriptive summary of the operation of the Property during the prior month, highlighting all significant occurrences and

anticipated problems and explanations for all material variances and expense items (actual compared to budget) for current month and year to date comparisons;

5.5.2.4 Report disclosing any contract or agreement with, or the payment of money to, any entity affiliated with or related to Firm in any way;

5.5.2.5 Summary and detail balance sheet;

5.5.2.6 Accounts payable report; and,

5.5.2.7 Bank account reconciliation.

## 5.6 Quarterly Reports

5.6.1 Provide OWNER with the requested reports on or before the tenth (10<sup>th</sup>) day after the end of each calendar quarter for Tax Credit Properties. Deliver to OWNER a current rent roll with a summary operating statement for the prior three (3) months, on a form required by OWNER.

## 5.7 Annual Report

5.7.1 Provide OWNER with requested reports within thirty (30) days after the end of each calendar year.

5.7.2 Respond to independent auditor requests for supporting documentation as part of annual audits.

5.7.3 Deliver to OWNER the following reports in a format approved by OWNER:

5.7.3.1 A schedule of accounts payable, enumerating vendors' invoices received and to be paid in the new calendar year;

5.7.3.2 An accrued expense schedule, enumerating all items of expenses incurred in the calendar year;

5.7.3.3 A rent roll scheduling the names of the residents, square footage, current annual rent and lease term, which rent roll shall be updated periodically when appropriate for Tax Credit properties; and,

5.7.3.4 An annual income statement and balance sheet certified by an independent certified public accountant acceptable to OWNER. The accountant's fee shall be OWNER's expense.

## 6. Establishment of Operating Account

**REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

- 6.1 Maintain all rent and other revenues and funds which are received by the Firm for OWNER, in its capacity as the exclusive manager of the Property(ies).
- 6.2 All rent and other revenues will be held in trust and deposited by the Firm in a bank account or accounts as designed by OWNER (the "Operating Account") and maintained by Firm for the benefit of and in the name of OWNER. All such funds shall be and remain the properties of OWNER and shall be disbursed by Firm for the purposes authorized under the Agreement. In no event shall checks be drawn thereon to the order or for the benefit of any person except by law and by agreement. Firm shall not commingle OWNER's funds with the funds of any other person and shall implement a cash control system reasonably acceptable to OWNER.
  - 6.2.1 Funds may be drawn from the Operating Account only upon such authorized signatures as OWNER may direct from time to time.
  - 6.2.2 Note: From time to time, OWNER will provide additional funds to the Operating Account as deemed reasonably necessary by Firm and OWNER.

7. Disbursements by Firm

- 7.1 Pay disbursements from the Operating Account, and not from the Firm's own funds.
- 7.2 Promptly notify the OWNER if the funds in the Operating Account are insufficient to make the payments described above and indicate what efforts will be taken to promptly correct the deficit.

8. Procurements

- 8.1 Designate one person to be responsible as the Procurement Liaison, who will coordinate, gather, and submit copies of all required documents (including but not limited to bids, scopes of work, and independent cost estimates) to OWNER's asset management representative for review and approval for amounts over \$10,000.
- 8.2 Execute and renew services, on OWNER's behalf. These services include but are not limited to: (a) contracts for electricity, gas, telephone, water, cleaning, pest control, landscaping, office supplies, garbage and trash removal and other services in the ordinary course of business, and (b) purchase all supplies and equipment which are necessary to maintain and operate the Property in a first-class condition.
- 8.3 All procurements shall be made in accordance with the applicable procurement

**REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

policy, federal regulations (including but not limited to 2 CFR Part 200), and state law if state law applies.

8.4 Note: All contracts made pursuant to this section shall be terminable by OWNER without cause on no more than thirty (30) day notice unless otherwise approved in advance by OWNER. All expenses shall be charged to OWNER at no more than cost and shall not at any time exceed fair market value as determined by either approval of OWNER or substantiated by quotes from arms'-length vendors.

8.5 The relevant contractual information from all procured contracts shall be into the contract administration database utilized by OWNER. Personnel at the property sites will be expected to utilize this software.

9. Capital Projects

9.1 Upon request by OWNER, supervision of OWNER Construction

9.1.1 Assist OWNER in honoring its obligations to make alterations, improvements, or capital improvements to the Property.

9.1.2 Respond to written requests from OWNER regarding:

9.1.2.1 Coordinate, when appropriate, with OWNER, tenants, architects, engineers and firms, to prepare and finalize construction plans;

9.1.2.2 Hire, in OWNER's name, appropriate and acceptable contracts, which contracts shall be in OWNER's name;

9.1.2.3 Make periodic, random project inspections;

9.1.2.4 Approve:

9.1.2.4.1 The construction schedule

9.1.2.4.2 The quality of workmanship

9.1.2.4.3 Requisitions for progress payments

9.1.2.4.4 All change orders

9.1.3 Represent OWNER during the final inspection of the completed job;

9.2 Capital Planning

9.2.1 Conduct annual capital assessments that identifies major improvements and/or upgrades at the site, forward their recommendations to OWNER.

10. Risk Management

**REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

10.1 Notice of Claims

10.1.1 Promptly notify and inform OWNER, and its insurance carrier of any actual or potential personal injury, or property damage occurring to, or on the Property which becomes known to the Firm.

10.2 Bonding/Insurance

10.2.1 Maintain bonds or employee dishonesty insurance in an amount reasonably acceptable to OWNER, for all of the firm's employees who handle, or are responsible for OWNER's money or property.

10.2.2 Maintain general liability, workers compensation, crime and director/officer insurance.

10.3 Notices

10.3.1 Notify OWNER of any fire, accident, or other casualty, condemnation proceedings, rezoning or other governmental order, lawsuit or threatened lawsuit involving the property, violations relative to the leasing, use, repair and maintenance of the Property under any governmental law, ordinance, rule or regulation, and of any material defects in the Property, promptly after any such matters are discovered by the firm and/or are brought to Manager's attention.

10.4 Emergency Procedures Plan / Manual

10.4.1 Maintain an emergency plan with procedures that safeguards all persons (employees, residents & visitors) and property. The plan shall provide specific directives on saving lives, securing the property, prevent emergencies, preparing/reacting for an emergency, evacuation, fire/safety drills to include Active Shooter Training, restoring the property after an emergency, etc.

10.4.2 Maintain written plans for mold & moisture prevention, prevention of exposure to lead or asbestos containing materials, and handling reporting and remediation of said items when discovered.

10.5 Permitting / Certification

10.5.1 Ensure all permits and certifications are current and/or updated timely to comply with all applicable Federal, State, local requirements.

10.5.2 At a minimum, monitor; fire alarm control panels, fire permits, occupancy, gas tests, etc.

11. Resident Relations / Community Safety

11.1 Tenant Complaints

11.1.1 Respond promptly to complaints and requests from tenants of the Property (within 3 business days) and provide to OWNER any material complaints made by a tenant. Asset Managers should be informed within 24 hours with a resolution in writing.

11.2 Community Meetings

11.2.1 Property manager will engage residents once monthly in scheduled community meeting to cultivate a sense of community and fostering resident engagement by continuously sharing agency and property announcements, program updates, lease education, and policy changes, as well as encouraging the exchange of ideas via discussions.

11.2.1.1 Property managers shall collaborate with HANO law enforcement services for effective safety and law enforcement presence, as needed.

11.3 Safety Prevention / Intervention

11.3.1 Provide preventive and intervention strategies to deter criminal activity. As a minimum, these strategies should be related to the usage of lighting, signage, access control, security equipment, environmental design/landscaping, resident programs/meetings, etc.

11.3.2 Property managers will engage open/consistent communication with assigned officers; coordinate the recording of reports received from law enforcement, and lease enforcement for violators engaged in criminal activity, inform residents about Community Activities & Programs, House Rules, Housekeeping, Know Your Lease, Rent, Resident Services, See Something Say Something, Annual Recertifications, etc.

11.4 Transitional Plan

11.4.1 Assume full managerial control of site(s) that is new to their portfolio. This includes, but is not limited to

personnel, tenant files, keys, insurance, inventory, transferring of utility/contractual obligations, signage, etc.

**END OF SCOPE OF WORK**

**RFP**

**Appendix B**

**Admissions and Continued  
Occupancy Plan (ACOP)**





**THE HOUSING AUTHORITY OF  
NEW ORLEANS  
(HANO)**

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**ADMISSIONS AND CONTINUED  
OCCUPANCY POLICY (ACOP)  
Amended and Revised**

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**Board Approved – June 2024  
HUD Approved – PENDING**

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## Chapter 1

### OVERVIEW OF PROGRAM AND POLICY

#### INTRODUCTION

This Admissions and Continued Occupancy Policy (the "ACOP") defines the policies of the Housing Authority of New Orleans for the operation for the Public Housing Program, incorporating Federal, State and local law.

The Public Housing Program was created by the U.S. Housing Act of 1937. The Housing Authority of New Orleans offers public housing through HANO-owned developments and in partnership with private owners/developers of Signature Communities, which are mixed income communities with units reserved for eligible low-income families. At the HANO-owned developments, HANO either manages the developments directly or through management agreements with private management agents. Signature Communities are managed by a private sector managing partner and are monitored by HANO for compliance with applicable public housing requirements and guidelines.

The administration of this housing program will also meet the requirements of the Department of Housing and Urban Development and Louisiana Housing Corporation. Such requirements include any Applicable Public Housing Requirements, and Tax Credit Requirements. All applicable Federal, State and local laws, including Fair Housing Laws and regulations also apply. Changes in applicable federal laws or regulations shall supersede provisions in conflict with this policy. Federal regulations shall include those found in Volume 24 CFR, Parts 1, 5, 8, 100 and 900-966 (Code of Federal Regulations).

In order to facilitate compliance with Tax Credit Requirements, HANO will not impose any policy within this ACOP upon any Signature Community if such policies would create non-compliance with Tax Credit Requirements and will not disapprove policies of Owner required for compliance with Tax Credit Requirements, unless Applicable Public Housing Requirements otherwise require such policies.

Authority for HANO policies is derived from many sources. Primary among these sources are regulations and guidance issued by HUD. State law also directs HANO's policy. State law must be followed where such law exists and does not conflict with federal regulations. In the absence of the legal requirement or HUD guidance, industry practices may lead to HANO policy. Finally, the public housing lease/lease addendum will affect PHA policy and therefore must be consistent with federal and state law and regulations.

#### 1.1 LOCAL OBJECTIVES

This Admissions and Continued Occupancy Policy is designed to achieve the following objectives:

To provide improved living conditions for very low- and low-income families while maintaining their rent payments at an affordable level.

To avoid concentrations of economically and socially deprived families in any one or all of HANO's Public Housing Communities.

To provide opportunities for upward mobility for families who desire to achieve self-sufficiency.

To lawfully deny the admission of applicants or the continued occupancy of residents, whose habits and practices reasonably may be expected to adversely affect the health, safety, comfort or welfare of other residents or the physical environment of the neighborhood or create a danger to HANO or its Agent's employees, contractor or vendors.

To ensure compliance with Title VI of the Civil Rights Act of 1964 and all other applicable Federal laws and regulations so that the admissions and continued occupancy are conducted without regard to race, color, religion, sex, national origin, age, familial status, or disability

## **A. HOUSING AUTHORITY MISSION STATEMENT**

*The mission of the Housing Authority of New Orleans is to provide affordable housing opportunities for low-income residents of the city of New Orleans, while laying the foundation for economic sustainability.*

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

This Admission and Continued Occupancy Policy ("ACOP") establishes the framework within which The Housing Authority of New Orleans ("HANO") will operate. Residents must comply with the ACOP as related to the admission and continued occupancy of HANO's conventional Public Housing Program as well as its PHA/ LIHTC units. This Policy considers the affordable housing needs of individuals and families. It also considers the statutory purpose in developing and operating socially and financially sound housing communities, which provide a decent home and a suitable living environment while also fostering economic and social diversity.

The ACOP is governed by the requirements of the Department of Housing and Urban Development (HUD), Applicable Public Housing Requirements and Section 42 of the U.S. Government Code as regulated by the Treasury Department, the Extended Use Agreement and Tax Credit Requirements as applicable.



## Chapter 2

### GENERAL POLICIES

#### 2.1 PROGRAM ACCOUNTS AND RECORDS

HANO will maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits quick and effective auditing. Records will be in the form required by HUD, including requirements governing computerized or electronic forms of record keeping.

To the extent permitted by federal or state requirements, during the term of each Public Housing tenancy, and for at least 3 years thereafter, HANO will keep all documents related to a family's eligibility, tenancy, and lease termination.

In addition, HANO will keep the following for at least three years post-tenancy:

- A copy of the executed lease
- The HAP contract
- The application from the family
- HANO will keep the following records for at least three years:
  - Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants
  - An application from each ineligible family and notice that the applicant is not eligible
  - HUD-required reports
  - Unit inspection reports
  - Accounts and other records supporting HANO budget and financial statements for the program
  - Other records specified by HUD.

#### 2.2 RECORDS MANAGEMENT

HANO's practices and procedures are designed to safeguard the privacy of applicants and tenants.

#### 2.3 PRIVACY RIGHTS

All adult applicants and participants are required to sign the form HUD-9886 for all affordable housing programs. Authorization for Release of Information and Privacy Act Notice or such equivalent form as HANO may design. The Authorization for Release of Information and Privacy Act Notice states how family information will be released and includes the Federal Privacy Act Statement.

HANO will not release applicant or resident information unless there is a: (i) signed release of information request from the applicant or resident; (ii) lawful court order or through lawful civil or criminal discovery processes; (iii) a request for cooperation or for information from other governmental agencies or regulatory bodies; (iv) as authorized by HUD regulations; or (v) as otherwise authorized by law.

"Authorization for Release of Information and Privacy Act Notice." This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information.

HANO's policy regarding release of information is in accordance with State and local laws that may restrict the release of family information.

All information that would lead one to determine the nature and severity of a person's disability must be kept in a separate folder and marked "confidential."

The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. The staff person designated by the Director of Admissions and Occupancy must approve all requests for access and granting of accommodations based on this information.

Files should never be left unattended or placed in common areas.

HANO or its Agents staff will not discuss, or access family information contained in files unless there is a business reason to do so. Staff will be required to disclose whether he/she has relatives living in Public Housing.

Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

## **2.4 FAMILY OUTREACH**

HANO or its Agents will publicize the availability of the Public Housing Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, and by other suitable means to ensure that all units remain leased.

To reach people who cannot or do not read the newspapers; HANO or its Agents will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service providers. HANO or its Agents may use public service announcements and conduct targeted outreach to other nonprofit and/or other service providers in the community. Notices will also be posted on HANO's website, at all HANO office locations, and at all and Signature Communities.

HANO will inform the public and other service providers of eligibility factors for housing and guidelines so proper referrals for the Public Housing Program can be made.

## **2.5 POSTING OF REQUIRED INFORMATION**

The Housing Authority of New Orleans will maintain a bulletin board in a conspicuous area of the Central Office and all of its housing communities, which will contain:

Statement of policies and procedures governing Admissions and Continued Occupancy Policy (ACOP) or a notice of where the policy is available  
Directory of the HANO's communities including names, address of offices and office hours at each facility  
Income limits for Admission  
Current schedule of routine maintenance charges  
Copy of the Lease  
Fair Housing Poster  
An Equal Opportunity in Employment poster  
Current Resident Notices  
Required public notices  
Security Deposit Charges  
Schedule of Utility Allowances (if applicable)  
Screening Criteria

In addition, the signature Communities will be required to maintain bulletin boards that will maintain the following:

An Equal Opportunity in Employment Poster, Required public notices, Fair Housing Poster, Screening Criteria Income Limits and Current Rent Schedule and all other governing documents will be maintained at the on-site management office and made available upon request.

## **2.6 PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS) OBJECTIVES**

HANO and its Agents operate its public housing program with efficiency and can demonstrate to HUD or independent auditors that they are using the resources in a manner that reflects its commitment to quality and service. HANO policies and practices are consistent with the new Public Housing Assessment System (PHAS) outlined in the 24 CFR Parts 901, 902 and 907 final published regulations.

HANO is continuously assessing its program and consistently strives to make improvements. HANO acknowledges that its performance ratings are important to sustaining its capacity to maintain flexibility and authority. HANO intends to diligently manage its current program operations and continuously make efforts to be in full compliance with PHAS. The policies and procedures of this program are established so that the standards set forth by PHAS are demonstrated and can be objectively reviewed by an auditor whose purpose is to evaluate performance.

## **2.5 SIGNATURE COMMUNITIES PHAS REQUIREMENTS**

The Manager at each Signature Community will cooperate with HANO's request to assure its compliance with the Public Housing Assessment System ("PHAS") outlined in 24 CFR Part 902. The Site Manager will continuously assess its program and consistently strive to make improvements. The Site Manager will diligently manage the Residential Community in accordance with the Tax Credit Requirements and continuously make efforts to be in full compliance with PHAS and the R&O.

The policies and procedures related to PHAS requirement found in this ACOP are established so that the standards set forth by PHAS are demonstrated and can be objectively reviewed by an auditor whose purpose is to evaluate such performance. These policies will also be found in each site-specific Management Plan.

## **CHAPTER 3 FAIR HOUSING AND EQUAL OPPORTUNITY**

### **3.1 INTRODUCTION**

It is the policy of the Housing Authority of New Orleans (HANO) to comply fully with all Federal, State and local nondiscrimination laws and with rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. HANO and its Agents will comply with all laws relating to Civil Rights, including:

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

### **3.2 NON-DISCRIMINATION**

No person shall be discriminated because of race, color, sex, religion, familial status, disability, national origin, marital status, gender identity or sexual orientation in the leasing, rental, or other disposition of housing or related facilities. This includes land that is part of any project or projects under HANO's jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended, or in the use or occupancy thereof.

To further its commitment to full compliance with applicable Civil Rights laws, HANO will provide Federal/State/local information to public housing residents regarding "discrimination" and any recourse available to them if they believe they are victims of discrimination. Such information will be made available to residents during orientation sessions.

No person shall, on the grounds of race, color, sex, religion, national or ethnic origin, familial status, disability, marital status or sexual orientation be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under HANO programs

### **3.3 PROVIDING INFORMATION TO FAMILIES AND THIRD-PARTY MANAGERS**

HANO takes steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, HANO will provide information to public housing applicant families and third-party managers about civil rights requirements. The public housing lease notifies tenants and third-party managers not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

### **3.4 DISCRIMINATION COMPLAINTS**

Applicants or participants who believe that they have been subject to unlawful discrimination may notify HANO's legal department in writing. HANO will attempt to remedy discrimination complaints made against HANO. HANO will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's office of Fair Housing and Equal Opportunity (FHEO).

### **3.5 FAIR HOUSING REASONABLE ACCOMMODATIONS POLICY**

#### **3.5.1 POLICIES RELATED TO PEOPLE WITH DISABILITIES**

It is HANO's policy to provide a Reasonable Accommodation for applicants and residents with disabilities where an accommodation is necessary to provide them with an equal opportunity to use and enjoy participation in the Public Housing program. This policy is in furtherance of HANO's goal of providing affordable housing to low-income persons regardless of disability. HANO and its Agents will accommodate persons with disabilities in compliance with Fair Housing laws, federal regulations, and local codes and laws, and will in general follow the same procedures as laid forth in the HCVP Administrative Plan's Fair Housing Appendix: Reasonable Accommodation Policy and Reasonable Accommodation Request Procedures.

A Reasonable Accommodation is a modification or accommodation that HANO or its Agents can make for a qualified individual with a disability which would assist an otherwise eligible person to have equal opportunity to housing and participation in the Public Housing program. Under the Fair Housing Act, a reasonable modification is a structural change made to the premises whereas a reasonable accommodation is a change, exception, or adjustment to a rule, policy, practice, or service. Reasonable modifications can include structural changes to interiors and exteriors of dwellings and to common and public use areas. A person with a disability may need either reasonable accommodation or a reasonable modification, or both, in order to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. A request for a reasonable modification or reasonable accommodation may be made at any time during tenancy. For purposes of this policy, a Reasonable Accommodation may mean either an accommodation or a modification.

For the purpose of this policy, a person with a disability is defined as an individual who has a physical or mental impairment that substantially limits one or more major life activities. Major life activities include functions such as caring for

oneself, performing manual tasks, walking, talking, seeing, hearing, speaking, breathing, learning, or working. A mental or physical impairment includes, but is not limited to, a physiological disorder or condition, anatomical loss, disease or condition affecting one or more of the body systems (i.e., neurological or musculoskeletal) or such conditions as cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, Human Immunodeficiency Virus (HIV) infection, mental retardation, organic brain syndrome, emotional or mental illness, specific learning disabilities, drug addiction, and alcoholism. A person with a disability may have a history or record of such impairment or be a person who is perceived by others as having such an impairment.

Persons not covered by this definition include those who are currently and illegally using controlled substances or persons who pose a significant threat to the health and safety of others or damage to property, unless the threat can be eliminated by the reasonable accommodation.

### **3.5.2 REQUEST FOR AN ACCOMMODATION**

It is up to the applicant or resident to actually request and/or inform HANO or its Agents of the need for reasonable accommodation. However, HANO or its Agents may assist the applicant or resident in making the accommodation request. An applicant or resident may make a verbal request for a reasonable accommodation. HANO and its Agents must consider the request without a designated form, however, written authorization from the applicant or resident to verify any necessary documentation of the disability and accommodation must be completed in order to begin the verification process. A third-party representative, upon presentation of appropriate authorization, may fill out and sign the Request for Reasonable Accommodation form as well as assist with the verification process for an individual with a disability.

### **3.5.3 VERIFICATION OF DISABILITY**

If the applicant's or resident's disability and the need for the requested accommodation is readily apparent, obvious, or known, then HANO or its Agents may certify the requestor's disability or disability related need for an accommodation without need for further verification or documentation.

HANO or its Agents may require reliable documentation or verification of the disability from a medical or rehabilitation professional or expert, or a non-medical service agency whose function is to provide services to the disabled, detailing that the individual needs the accommodation, and that the accommodation is likely to aid the individual. There must be an identifiable relationship or nexus between the accommodation and the individual's disability. The requested accommodation must help to alleviate barriers caused by the disability limiting the applicant to fully enjoy use of or participation in the housing program.

The accommodation cannot pose an undue financial or administrative burden to HANO or its Agents nor result in a fundamental alteration of the public housing program requirements. The determination of whether a requested

accommodation constitutes an undue financial or administrative burden or a fundamental alteration in the housing program shall be made on an individual case basis, taking into consideration the circumstances and resources available at the time of the decision.

HANO and its Signature Communities are not required to:

- In an existing housing program, make each of its existing facilities accessible (**24 C.F.R. '8.24(a)(1)**); or make structural alterations when other methods can be demonstrated to achieve the same effect; (**24 C.F.R. '8.24(b)**)
- Make structural alterations that require the removal or alteration of a load-bearing structural member; (**24 C.F.R. '8.32(c)**)
- Provide an elevator in any multifamily housing community solely for the purpose of locating accessible units above or below the grade level;
- Take any action that would result in a fundamental alteration in the nature of the housing program, activity or its services;
- Take any action that would result in an undue financial or administrative burden on HANO.

#### **3.5.4 ALTERNATIVE ACCOMMODATION**

HANO or its Agents may propose an alternative accommodation if the original proposed accommodation cannot be approved, and the alternative is an effective accommodation to remove barriers to a disabled person's equal housing opportunity. If there are several different accommodations that would be effective in meeting the need of the disabled person, HANO or its Agents may select the accommodation which is most convenient and cost effective for HANO or the owner, provided that there is no significant detrimental impact on the disabled person which directly relates to his/her disability.

Any approval or conditioned approval of an applicant's or resident's request for Reasonable Accommodation will be communicated in writing to the applicant by HANO or its Agents within 30 days after the date upon which the request is submitted or, if applicable, within 30 days after the date upon which any additional information or verification reasonably necessary for making a decision is provided. The approval or conditioned approval shall describe the accommodation that will be provided, including any terms, conditions, and performance expectations that would be subject to the applicant's or resident's agreement, and shall indicate the date for implementation.

#### **3.5.5 APPROVAL OR DENIAL OF A REQUESTED ACCOMMODATION**

If HANO or its Agents denies the requested accommodation, the applicant or resident will be informed in writing within 30 days of receipt of the request, and the notice will include the right to request an informal hearing or informal review regarding the requested accommodation in accordance with Section 504 of the Rehabilitation Act of 1974.

HANO and its Agents will ensure that applicants and residents are aware of their rights to request reasonable accommodations at all initial contacts, at eligibility screening and during their tenancy. Verifications of an applicant's or resident's disability and the need for the requested accommodation will comply with the 2008 HUD/DOJ statement that provides instructions on verification of Reasonable Accommodations. HANO and its Agents will keep a log of all requests for Reasonable Accommodation and their outcomes.

### **3.5.6 PROGRAM ACCESSIBILITY FOR PEOPLE WITH HEARING OR VISION IMPAIRMENT**

HUD regulations require HANO to ensure that people with disabilities related to hearing and vision have reasonable access to HANO's programs and services. At the initial point of contact with each applicant, HANO shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

All community sites are accessible to persons with disabilities. The TTY telephone service provider provides accessibility for the hearing impaired. Posters and housing information will be displayed in the Community Office in such a manner as to be easily readable from a wheelchair. In addition, HANO will provide interpretive services for an interview, meeting, or hearing with hearing or visually impaired individuals.

### **3.5.7 PHYSICAL ACCESSIBILITY**

HANO complies with the applicable requirements pertaining to physical accessibility, including:

- 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.

This policy describes the key policies that govern HANO's responsibilities with regard to physical accessibility and will be made readily available to applicants and participants.

When issuing a lease to a family that includes an individual with disabilities, HANO will provide an available accessible unit. HANO or its Agents have units designated for persons with mobility, sight and hearing impairments, referred to as accessible units.

Non-mobility impaired families will not be offered these units until all eligible mobility-impaired applicants have been considered.

Before offering a vacant accessible unit to a non-disabled applicant, units will be offered as follows:

First, to a current occupant of another unit of the same community, or other public housing communities under HANO's control, who has a disability that requires the special features of the vacant unit.

Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.



When offering an accessible/adaptable unit to a non-disabled applicant, HANO or its Agents will require the applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

HANO or its Agents will make modifications to the unit in keeping with the Section 504 Transition Plan as the need arises and until the agency determines that, an adequate number of units have been rehabilitated in numbers sufficient to evidence compliance with the Plan. After such point in time, HANO or its Agents may approve the family's plan to make physical modifications at the family's expense and consistent with the terms of the Authority's 504 Plan as it relates to resident modifications.

### **3.5.8 REASONABLE ACCOMMODATION TRAINING**

HANO shall provide training on the Reasonable Accommodation process to all of its property management staff, as well as property management staff of all third-party property owners and managers, which focuses on identifying, determining, and implementing appropriate reasonable accommodations for individuals with disabilities. New property management staff at HANO and at all third-party property owners and managers shall also undertake the training within three months of the commencement of employment.

## **3.6 IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY**

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the Public Housing program.

In accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166, HANO will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as LEP.

LEP is defined as persons who do not speak English as their primary language and who also have a limited ability to read, write, speak, or understand English. For purposes of this ACOP, LEP persons are applicants and resident of public housing, and family members or companions involved in making decisions regarding and individual's housing plan.

In order to determine the level of access needed by LEP persons, HANO will balance the following four factors:

- The number or proportion of LEP persons eligible to be served or likely to be encountered by the Public Housing program;
- The frequency with which LEP persons come into contact with the program;

- The nature and importance of the program, activity, or service provided by the program to people’s lives; and
- The resources available to HANO and costs.

Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on HANO.

### **3.6.1 Oral Interpretation**

Each HANO department office or location that provides direct services must provide oral interpretation upon request and at no charge to LEP persons to ensure meaningful access to HANO’s direct services. HANO shall notify all applicants, residents, and participants of their ability to request an interpreter in notices from HANO for hearings, interviews, scheduled appointments, and adverse action. If necessary, appointments/interviews/hearings/conferences may need to be rescheduled to a later date in order to provide language assistance services.

Examples of language assistance are:

- Oral interpretation services
- Bilingual staff
- Telephone services line with an interpreter
- Written translation services
- Notices to staff and recipients of availability of LEP services
- Referrals to community liaisons proficient in the language of LEP persons

AN LEP person is not required to bring their own interpreter and may request that a language interpreter is provided at no cost to the applicant or resident. An LEP person may request that an adult family member or friend (18 years of age or older) provide interpretation, but only if it is his/her choice. Family members, companions, or friends are not always acceptable as qualified interpreters in situations where it might invade that LEP person’s privacy or impede communication of information. The employee must advise the LEP person about the availability of free language services and document in writing if the LEP person still chooses to have his/her own interpreter.

There are some situations where the use of family members or friends is not appropriate e.g., in situations involving domestic abuse, sexual assault, or in hearings related to adverse actions. In these instances, qualified HANO interpreters or others must provide language assistance. In situations where the HANO proposes to take adverse action against a LEP person, a qualified interpreter must provide language services.

### **3.6.2 Written Translation**

Documents which contain vital information or information that is critical for ensuring meaningful access to HANO’s or its Agents’ direct services are considered vital documents. Vital documents will be translated as required by applying the four-factor analysis. Translation of other documents, if needed, can be provided orally. If HANO is not required to translate vital written materials, HANO will provide written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written

materials.

### **3.6.3 IMPLEMENTATION PLAN**

HANO will provide ongoing training for appropriate staff about the Limited English Proficiency Policy.

Training will include:

- An overview of HANO's Limited English Proficiency Policy.
- How to identify the language in which the LEP person needs assistance.
- How and when to access language services through bilingual staff or other resources.
- How to work with an interpreter.
- Prohibition against requiring or asking any LEP person to bring his or her own interpreter.
- Cultural sensitivity.

### **INTRODUCTION**

This Chapter defines both HUD's and the HANO's criteria for admission and denial of admission to the program. HANO's Agents may employ additional criteria for admission and denial. Additional admission or denial criteria must be approved by HANO and included as a part of the Management's Agents Screening Criteria found in the Management Plan for the specific Signature Community.

The policy of HANO is to strive for objectivity and consistency in applying these criteria to evaluate the qualifications of families who apply. HANO or its Agent's staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made pertaining to their eligibility.

It is the intention of the HANO and its Agents to implement a policy designed to:

Help create and maintain a safe and drug-free community;

Keep our program participants free from threats to their personal and family safety;

Support parental efforts to instill values of personal responsibility and hard work;

Help maintain an environment where children can live safely, learn and grow up to be productive citizens; and

Assist families in their vocational/educational goals in the pursuit of self-sufficiency.

## **Chapter 4**

### **APPLYING FOR ADMISSION**

#### **4.1 INTRODUCTION**

The policy of the Housing Authority of New Orleans is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for housing, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but HANO and its Agents will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Policy.

#### **4.2 HOW TO APPLY**

Families who wish to apply for any of HANO's program or Signature Communities must complete a written application form when the waiting lists are open. Applications will be made available in an accessible format upon request from a person with a disability.

Persons with disabilities may call the site of interest to receive an application through the mail or make other arrangements to complete their pre-application when the list is opened.

Applications will be mailed to interested families upon request and must be returned within the timeline expressed in the application.

#### **4.3 SITE- BASED WAITING LIST**

Rules governing the Site-Based Waiting List for PHA and PHA/LIHTC units for placement on the Site Based Waiting List are as follows:

1. The Housing Authority will provide the initial waiting to each Community, which includes both HANO's conventional and Signature Communities units. Hurricanes Katrina and Rita will make up the initial list of former Head of Household HANO residents who have indicated a desire to return to the communities in accordance with the HANO's relocation or reoccupancy plan including those families affected.
2. This list will also be consistent with the goals of Title VI of the Civil Rights Act of 1964 but will only be open to those former residents as outlined above until that time in which substantially all those former residents have been offered their option to return. HANO or its Agents can set a timeline by which the waiting list will close for former residents.

HANO or its Agents must take considerable steps to outreach to all former residents prior to closing the Site-Base Waiting List by sending the initial contact letter and two additional notices for a total of three notices. The third notice will be the final notice informing the resident that name will be removed from the waiting list. As all former head of household residents will have the right to return. The initial Site-Based Waiting List may be updated to allow former head of household residents to be added to the list. Any former residents not interested in returning to the community must provide notification, in writing, of their desire not to return. The former resident's name will be removed from the waiting.

3. Management must advise the resident, in writing, no later than ten (10) days after the receipt of the former resident's notice that their name has been removed from the waiting list and that they no longer have a position on the waiting list.
4. Management must mail the letter by regular first class.
5. Only when the Initial Site Based Waiting List has one hundred (100) or less applicants, then the Site Based Waiting List for the public will be opened.
6. Management will inform HANO twenty (20) days prior of their need to open the Site-Based Waiting List.
7. When management opens any Site-Based Waiting List the public notice will state where and when to apply.
8. Pre-applications should be made available online.
9. When deemed appropriate by management, the Site-Based Waiting List will be closed, and public notice will be given.
10. HANO or its Agents will not accept incomplete pre-applications.
11. The online date stamp will govern an applicant's position on the Site-Based Waiting List. The Site Based Waiting List will be sort by date, by preference and then bedroom size.
12. As units become available for occupancy, bedroom size will dictate who will be first served. The first family on the waiting list whose needs fit the bedroom size available will move to the first position.
13. Families who are "skipped" over due to unavailability of a bedroom size will not lose their position on the Site-Based Waiting List. Families will be "skipped" over at Signature Communities if they do not fit the Tax Credit Requirements for the available unit(s).

#### 4.4 APPLICATION PROCESS

Families wishing to apply for the Public Housing and/or Affordable programs will be required to complete an application for housing during a period of in which the waiting list are opened. (24 CFR 1.4(b)(2)(ii), 24 CFR 960.202(a)(2)(iv). Applications are generally made in person and are accepted during designated hours at the management offices of HANO's communities. HANO may, from time to time, alter the times and places for taking and receiving applications, including requests for applications by telephone and accepting applications through the mail. At HANO's option, families may also be required to submit a pre-application prior to completing the full application. If this is the case, instructions will be provided to families regarding the pre-application process. HANO may allow applicants to apply for public housing and PHA/LIHTC program benefits electronically, through the mail, or by a combination of both means. HANO may also acknowledge receipt of all applications and preliminarily place the applicant on the waiting list, according to the specific housing category and the requested preference, for further eligibility and suitability determinations. For purposes of this entire Chapter 3, the term "application" shall also mean any required "pre-application", moreover, the term "HANO" shall also include any management agent or contractor undertaking the eligibility, screening, placement and transfer activities for any HANO conventional public housing community.

i. **Accessibility of the Application Process**

Disable Population: HANO and its Agent will take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal stand PHA process. HANO and its Agents will provide equal access for the disabled population. [24 CFR 8]

#### 4.5 PRE- APPLICATION PROCEDURES

The Housing Authority of New Orleans, HANO or its Agents may utilize a preliminary-application form (pre-application) for the application for public housing and the PHA/LIHTC units. The application may be submitted depending on the parameter by which the waiting list was opened.

Translation of the application will be provided for non-English-speaking applicants as requested.

The pre-application will contain questions designed to obtain the following information:

- Names, DOB and Social Security Number for all family members
- Bedroom size needed
- Permanent address and telephone numbers
- Mailing address (if PO Box or other permanent address)
- Annual income
- Occupation/Job Training
- Student Status
- Source(s) of income, assets and expenses for household members to determine preference qualification
- Sufficient additional information to determine preference qualification

Information regarding request for reasonable accommodation or for accessible unit

Questions regarding previous participation in HUD programs

The pre-application is the premise by which the Site-Based Waiting list is created and updated.

#### **4.6 NOTIFICATION OF APPLICANT STATUS**

HANO or its Agent will notify the family in writing (in an accessible format upon request, as a reasonable accommodation) that they officially hold a position on the waiting list.

This written notification of preliminary eligibility will be mailed to the applicant by first class mail.

#### **4.7 COMPLETION OF A FULL APPLICATION**

The application will contain questions designed to obtain the following information:

- Names, Date of Birth and Social Security Number for all family members
- Bedroom size needed
- Permanent address and telephone numbers
- Mailing address (if PO Box or other permanent address)
- Annual income
- Occupation/Job Training
- Student Status
- Source(s) of income, assets and expenses for household members to determine preference qualification
- Sufficient additional information to determine preference qualification
- Information regarding request for reasonable accommodation or for accessible unit
- Arrests/Convictions for Drug Related or Criminal Activity
- Questions regarding previous participation in HUD programs

All preferences claimed on the application or while the family is on the waiting list will be verified after the family is selected from the waiting list and prior to completing the final eligibility determination. If a preference cannot be verified, said applicant will be returned to their proper place on the waiting list and preference removed.

The qualification for preference must exist at the time the preference is verified regardless of the length of time an applicant has been on the waiting list because the preference is based on status.

Applicants on the waiting list who will be selected in the near future will be sent a preference verification and eligibility appointment letter (see Chapter on Resident Selection and Assignment Plan). The letter will notify the applicant of an application interview and request the applicant to bring all documents, which verify all factors to be verified. Factors to be verified will be listed in the letter. These documents will be used for verification only if third-party verification cannot be obtained.

## **Requirement to Attend Interview**

The applicant interview is designed to discuss the family's circumstances in detail, to clarify information that has been provided by the family, and to ensure that the information is complete.

The interview is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other services or programs, which may be available.

All family members 18 years or older must attend the interview and sign the housing or LIHTC application. Exceptions may be made for adult students attending school out of state or for members for whom attendance would be a hardship.

It is the applicant's responsibility to reschedule the interview if she/he misses the appointment. If the applicant does not reschedule or misses one scheduled meeting(s), the application will be rejected. If an applicant is rejected due to a missed scheduled meeting, the missed scheduled meeting was due to applicant's disability, and the applicants can provide documentation that their disability was the cause of their missed meeting, HANO or its Agent may reschedule the meeting.

If an applicant fails to appear for their interview without prior approval, their application will be denied unless they can provide acceptable documentation that an emergency prevented them from calling.

Reasonable accommodation will be made for persons with a disability who requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with permission of the person with a disability.

If an application is denied due to failure to attend the applicant interview, the applicant will be notified in writing that he/her name will be removed from the waiting list within ten (10) working days from the date of the removal letter. Applicant will be notified that he/she is entitled to an informal hearing. (See Chapter on Complaints, Grievances and Appeals.)

All adult members, and head of household and spouse regardless of age, must sign the HUD-9886, "Release of Information," the declarations and consents related to citizenship/immigration status and any other documents required by HUD, HANO or other regulatory agencies, such as Louisiana Housing Corporation, FEMA, LRA, etc.

Applicants will be required to sign specific verification forms for information that is not covered by the HUD-9886 Failure to do so will be cause for denial of the application for failure to provide necessary certifications and required releases.

Information provided by the applicant will be 3<sup>rd</sup> party verified, including information related to family composition, income, allowances and deductions, assets, eligible immigration status, full-time student status and other factors related to preferences, eligibility and rent calculation.

If HANO or its Agents determines at or after the interview that additional information or document(s) are needed, HANO or its Agents will request the document(s) or information in writing. The family will be given 5 working days to supply the information.



If the information is not supplied in this time period, HANO or its Agent will provide the family a notification of denial for assistance. (See Chapter on Complaints, Grievances and Appeals.)

#### **4.8 PROCESSING APPLICATIONS**

As families approach the top of the waiting list, the following items will be verified to determine qualification for admission to HANO's Public Housing or Signature Communities:

- Preference verification
- Family composition and type (elderly/nonelderly)
- Annual Income
- Assets and Asset Income
- Deductions from Annual Income
- Social Security Numbers of all family members
- Information used in applicant screening such as rental history or utility payment history
- Citizenship or eligible immigration status
- Student Status
- Credit, Rent and Criminal History including Sex Offender Reports
- Copy of State ID for all adult members of the household

#### **4.9 QUALIFICATION FOR ADMISSION**

It is HANO's policy to admit qualified applicants only. Agents are responsible for the selection of applicants in accordance with the guidelines outlined in the ACOP as well and their company policy, approved by HANO, to determine if an applicant is qualified.

An applicant is qualified if he or she meets the following criteria:

Must be a family, as defined in this Chapter;

Head of household, where at least one member of the household is either a citizen or eligible non-citizen;

Has an Annual Income at the time of admission that does not exceed the low-income limit for occupancy established by HUD or, specifically for PHA/LIHTC units, Section 42 of the U.S. Government Tax Code and the Extended Use Agreement which is maintained separately in the Company offices;

Provides Social Security number for all family members;

Meets or exceeds the resident Selection Criteria as set forth in this policy or the approved Agent's selection criteria, including the attendance and successful completion of pre-occupancy or resident orientation class.

#### **Timing for the Verification of Qualifying Factors**

The qualifying factors of eligibility will not be verified until the family is in a position on the waiting list to be offered a unit.

## 4.10 FAMILY COMPOSITION

### Definition of Family

A family may be a single person or a group of persons. Discrimination on the basis of familial status is prohibited. Familial status includes children under the age of 18 living with parents or legal custodians, pregnant individuals, and persons securing custody of children under the age of 18. A group of persons may not be denied solely on the basis that they are not related by blood, marriage, or operation of law. For occupancy standards purposes, the applicant may claim a spousal or interdependent relationship (see chapter on Occupancy Guidelines).

HUD defines the term "family" in CFR 5.403.

The term "Family" includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- (1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person

Or

- (2) A group of persons residing together, and such a group includes, but is not limited to:
  - a. A family with or without children
  - b. An elderly family
  - c. A near-elderly family
  - d. A disabled family
  - e. A displaced family
  - f. The remaining member of a tenant family

The terms for disabled family, elderly family, and near-elderly family (per 24 CFR 5.403) are defined as:

*Disabled family* means a family whose head (including co-head), spouse, or sole member is a person with a disability.

*Elderly family* means a family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age.

*Near-elderly family* means a family whose head (including co-head), spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62.

The temporary absence of a child from the home due to placement in foster care shall not be considered in determining the family composition and family size.

### Head of Household

The head of household is the adult member of the household who is wholly or partly responsible for paying the rent and has the legal capacity to enter into a lease under

State/local law.

Emancipated minors who qualify under State law will be recognized as head of household if there is a court order recognizing them as an emancipated minor.

### **Spouse of Head**

Spouse means the husband or wife of the head.

For proper application of the Noncitizens Rule, the definition of spouse is the marriage partners whom, in order to dissolve the relationship, and would have to be divorced.

### **Co-head**

An individual in the household who is equally responsible for the lease with the Head of Household. A household may have either a spouse or co-head, but not both. A co-head never qualifies as a dependent.

### **Live-in Attendants**

A Family may include a live-in aide provided that such live-in aide:

- Is determined by HANO or its Agents to be essential to the care and well-being of an elderly person, a near-elderly person, or a person with disabilities,

- Is not obligated for the support of the person(s), and

- Would not be living in the unit except to provide care for the person(s) and may be accepted as reasonable accommodation.

A live-in aide is not considered an assisted family member and has no rights or benefits under the program:

- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.

- Live-in aides are subject to Non-citizen Rule requirements.

- Live-in aides may not be considered as a remaining member of the resident family.

Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

Family members of a live-in attendant may also reside in the unit, providing doing so does not increase the subsidy by the cost of an additional bedroom and that the presence of the family member(s) does not overcrowd the unit.

A Live-in Aide may only reside in the unit with the approval of HANO or its Agents. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker.

The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near elderly (50-61) or disabled. Verification of the need

for a live-in aide must include the hours the care will be provided.

After HANO or its Agents approves the addition of a live-in aide on behalf of a resident, the resident must submit a specific live-in aide's name and other information requested for approval by HANO or its Agents within 30 calendar days of notification.

If the 30 calendar days expire, the resident will have to resubmit an application for approval of a live-in aide.

A specific live-in aide may only reside in the unit with the approval of HANO or its Agents. The live-in aide will be subject to the agency's normal screening criteria; criminal and sex offender background checks.

The resident will be responsible for any actions of the live-in aide.

HANO or its Agents have the right to disapprove a request for a live-in aide based on the "Other Eligibility Criteria" described in this Chapter.

#### **4.11 MANDATORY SOCIAL SECURITY NUMBERS**

Families are required to disclose Social Security numbers of all individuals applying for or participating in HUD's rental assistance programs except for those who do not contend to have eligible immigration status.

HANO and its Agents must inform applicants and residents of the revisions to the SSN disclosure and verification requirements. Applicants will be required to disclose and provide verification of the SSN for all members of their household before they can be admitted. Current residents will be required to disclose and provide verification of SSNs for all members of their household, where disclosure and verification has not occurred, at the time of their next interim or annual recertification.

HANO and its Agents are encouraged to continue informing applicants and residents who have not disclosed their SSN, or the SSN of a child under the age of 6 or who have certified they do not have a SSN of the final rule that they must obtain a SSN within 90 days of application for admission or application to add a family member.

HANO and its Agents with access to the Enterprise Income Verification (EIV) system must verify and correct all SSNs for individuals listed on the Failed EIV Pre-screening and the Failed Verification Report as having invalid SSNs.

#### **Verification of Social Security Numbers**

Social security numbers must be provided as a condition of eligibility for all family members if they have been issued a number.

Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration.

If a family member cannot produce a Social Security Card, only the documents listed below showing his/her Social Security Number may be used for verification. The family

is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

- A valid driver's license
- Identification card issued by a Federal, State or local agency
- Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)
- Benefit award letters from government agencies
- Retirement benefit letter
- Verification of benefits or SSN from Social Security Administration

New family members will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. New family members under the age of six will have 90 days to submit a social security number. HANO has discretion to allow an additional 90 days to submit a social security number for new family members under the age of six. This information is to be provided at the time the change in family composition is reported to HANO or its Agents.

If an applicant or Resident is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or Resident must sign a certification to that effect provided by HANO or its Agents. The applicant/Resident or family member will have an additional 60 days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's tenancy will be terminated.

In the case of an individual at least 62 years of age, HANO or its Agents may grant an extension for an additional 60 days up to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's tenancy will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

HANO and its Agents must terminate tenancy of resident households if the regulatory requirements for SSN disclosure and documentation are not met. If the family submits falsified documents, tenancy will be denied or terminated.

#### **4.12 CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS**

*In October 1998 Congress passed the Quality Housing and Work Responsibility Act of 1998. As a result, Housing Authorities must immediately begin to apply the provisions of section 214 of the HCDA of 1980.*

In order to receive assistance, a family member must be an U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one (1) of the six (6) immigrant categories as specified by HUD. For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

## **Mixed Families**

A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called “mixed”. Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

## **Non-Eligible Members**

Applicant families that include no eligible members will be ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

## **Non-Citizen Students**

Defined by HUD in the non-citizen regulations, non-citizen students are not eligible for assistance.

No individual or family applying for housing assistance may receive such housing assistance prior to the affirmative establishment and verification of eligibility of at least one individual or family member. Recently HUD published in the Federal Register a Final Rule making citizens of Freely Associated States eligible for both Public Housing and Section 8. “Or a citizen of the Republic of Marshall Islands, the Federated States of Micronesia, or the Republic of Palau. However, people in the last category are not entitled to housing assistance in preference to any United States citizen or national resident within Guam.”

## **Certification of Citizenship**

All families must be notified of the requirement to provide certification of their citizenship status.

1. New applicants must be notified when their name is pulled from the waiting list.
2. New additions to a family must be notified and certified at the time the family member is added.

All family members must certify their status regardless of previous documentation received regarding each person’s identity (such as birth certificates and other forms of identification).

No family member may receive assistance until at least one family member has submitted the required documentation.

## **4.12 OTHER ELIGIBILITY CRITERIA**

All applicants will be processed in accordance with HUD's regulations and sound management practices. Applicants will be required to demonstrate ability to comply with essential provisions of the lease as summarized below.

All applicants must demonstrate through an assessment of current and past behavior the ability:

- to pay rent and other charges as required by the lease in a timely manner;
- to care for and avoid damaging the unit and common areas;
- to use facilities, appliances and equipment in a reasonable way;
- to create no health or safety hazards and to report maintenance needs in a timely manner;
- not to interfere with the rights and peaceful enjoyment of others and to avoid damaging the community of others;
- not to engage in criminal activity or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents or staff and not to engage in drug-related criminal activity on or off HANO or its Agents premises;
- to comply with necessary and reasonable rules and program requirements of HUD and HANO's ACOP and Tax Credit Requirements;
- and to comply with local health and safety codes.

#### **Denial of Admission for Previous Debts to HANO or any other PHA or Landlord**

Previous outstanding debts (debts that have not prescribed) to the HANO or any PHA or private landlord resulting from a previous tenancy in the public housing or Section 8 program, or any other landlord must be paid in full prior to admission. No Payment Agreement will be accepted.

Either spouse is responsible for the entire debt incurred as a previous resident. Children of the head or spouse who had incurred a debt to the PHA will not be held responsible for the parent's previous debt.

In situations where a family's indebtedness to landlords is a direct result of Hurricane Katrina or Rita HANO or extenuating circumstances result in a family's indebtedness to landlords, HANO and its Agents may make exceptions to families on a case-by-case basis.

#### **4.13 SCREENING PROCEDURES**

All screening procedures shall be administered fairly and in such a way as not to discriminate based on race, color, nationality, religion, sex, familial status, sexual orientation, disability or against other legally protected groups, and not to violate right to privacy.

To the maximum extent possible, HANO or its Agents will involve other community and governmental entities in the promotion and enforcement of this policy. The Signature Communities, at a minimum, will apply the same screening criteria set forth for residents

applying for or living in HANO's conventional public housing units.

This policy will be posted on HANO's, or its Agent's bulletin board and copies made readily available to applicants and residents upon request.

In developing its admission policies, the aim of HANO is to attain a resident body composed of families with a broad range of incomes and to avoid concentrations of the most economically deprived families and families with serious social problems. Therefore, it is the policy of the HANO or its Agents to deny admission to applicants whose habits and practices may reasonably be expected to have a detrimental effect on the operations of the community or neighborhood or on the quality of life for its residents.

HANO or its Agents will conduct a detailed interview of all applicants. The interview form will contain questions designed to evaluate the qualifications of applicants to meet the essential requirements of tenancy as well as the applicants need for a reasonable accommodation if requested by the applicant answers will be subject to third party verification.

An applicant's intentional misrepresentation of any information related to eligibility, award of preference for admission, housing history, allowances, family composition or rent would result in denial of admission.

Applicants must be able to demonstrate the ability and willingness to comply with the terms of the lease, either all or with assistance that they can demonstrate they have or will have at the time of admission. The availability of assistance is subject to verification by HANO or its Agents. It is not permitted for a parent or legal guardian to co-sign the Lease on the applicant's behalf if the head of household is under 18 and, under State/local law, does not have the legal capacity to enter into a legally binding contract. As a part of the final eligibility determination, each applicant household will be screened to assess their suitability as renters.

Rental history, utility and credit check will be conducted on the head and the co-head.

The Housing Authority and its representatives shall rely upon sources of information which may include, but are not limited to, HANO or its Agents records, personal interviews with the applicant or resident, interviews with previous landlords, employers, family social workers, parole officers, criminal and court records, clinics, physicians or the police department, and home visits for persons who have had negative landlord reference(s) for poor housekeeping habits.

This will be done in order to determine whether the individual attributes, prior conduct, and behavior of a particular applicant is likely to interfere with other residents in such a manner as to diminish their enjoyment of the premises by adversely affecting their health, safety or welfare.

Factors to be considered in the screening are housekeeping habits, rent paying habits, prior history as a resident, the ability of the applicant to maintain the responsibilities of tenancy, and whether the conduct of the applicant in present or prior housing has been such that admission to the program would adversely affect the health, safety or welfare



of other residents, or the physical environment, or the financial stability of the project.

Examination of relevant information pertaining to past and current habits or practices will include, but is not limited to, an assessment of:

The applicant's past performance in meeting financial obligations especially rent;

Eviction or a record of disturbance of neighbors sufficient to warrant a police call, destruction of community, or living or housekeeping habits at present or prior residences which may adversely affect the health, safety, or welfare of other residents or neighbors;

Any history or evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy by neighbors;

Any history of initiating threats or behaving in a manner indicating intent to assault employees or other residents;

The ability and willingness of an applicant to comply with the essential lease requirements will be verified and documented by HANO and/or its Agents. The information to be considered in the screening process shall be reasonably related to assessing the conduct of the applicant and other family members listed on the application in present and prior housing.

The history of an applicant's conduct and behavior must demonstrate that the applicant family can reasonably be expected not to:

- i. Interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare.
- ii. Adversely affect the physical environment or financial stability of the project.
- iii. Violate the terms and conditions of the Lease.
- iv. Require services from HANO or its Agent's staff that would alter the fundamental nature of its program.

### **Federally Barred Admissions**

HANO and its Agents are required by federal law to deny assistance to an applicant if any of the household members:

- Is subject to a lifetime registration requirement under a state sex offender registration program
- Has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing
- Has been evicted from federally assisted housing for drug-related criminal activity during the previous three years, except if one of the following occurred:
  - The circumstances leading to the eviction no longer exist.
  - The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program.

## **Screening for Criminal Record**

Except as mandated by federal law, no applicant for HANO-assisted housing will be automatically barred from receiving housing assistance because of his or her criminal background.

For applicants not barred by federal law, the applicant's criminal conviction(s) will be assessed to determine the risk the applicant poses to the safety and well-being of the community using valid written criteria, applicable laws including fair housing laws, applicable regulations, and sound management practices.

Applicants whose conviction(s) do not suggest a significant level of risk will be deemed admissible to housing if otherwise eligible.

Applicants whose conviction(s) suggest a significant level of risk will be reviewed by a panel of HANO officials or its Agents to assess, based on the totality of the circumstances including any information the applicant wishes to provide, whether the applicant should be admitted to housing or denied. HANO or its Agents may, at their full discretion, include external experts in the panel. If the panel recommends denial of an applicant, the applicant may request an appeal of the decision. All appeals shall follow the procedures in Chapter 14 of the ACOP: Complaints, Grievances, and Appeals. The risk assessment criteria HANO and its Agents use, and the review process are detailed in the criminal background screening procedures.

All third parties contracted after October 1, 2022, who are managing public housing units must adhere to this policy to HANO's criminal background screening procedures.

## **Screening for Drug and Alcohol Abuse**

In an effort to prevent drug-related criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or the right to peaceful enjoyment of the premises by other residents, HANO and its Agents will endeavor to screen applicants as fairly as possible.

HANO or its Agents will screen applicants to determine whether any household member is currently engaging in the illegal use of a drug.

*Currently engaged in the illegal use of a drug* means a person has engaged in the behavior recently enough (within the past twelve months) to justify a reasonable belief that there is continuing illegal drug use by a household member. Neither HANO nor its Agents will deny admission if the household member who is currently engaging in the illegal use of a drug is enrolled in a supervised drug rehabilitation program.

HANO or its Agents will screen applicants to determine if there is reasonable cause to believe that any household members' alcohol abuse or pattern of alcohol abuse may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents. Neither HANO nor its Agents will deny admission if the household member who is currently engaging in the abuse of alcohol is enrolled in a supervised

rehabilitation program.

In determining reasonable cause or reasonable belief, HANO or its Agents will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. HANO or its Agents will also consider evidence from treatment providers or community-based organizations providing services to household members, self-admission, admission during testimony, or admissions on a police report. A record of arrest alone will not be used to determine reasonable cause or reasonable belief, unless HANO or its Agents have sufficient evidence other than the fact of arrest that the individual engaged in the conduct within the past twelve months.

### **Confidentiality of Criminal Records**

HANO and its Agents will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

If the family is determined eligible for initial or continued assistance, HANO's or its Agents copy of the criminal report shall be shredded as soon as the information is no longer needed for eligibility or continued assistance determination.

If the family's assistance is denied or terminated, the criminal record information shall be shredded immediately upon completion of the review or hearing procedures and a final decision has been made.

HANO or its Agents will document in the family's file that the family was denied admission, or the tenancy was terminated due to findings in the Criminal History Report.

### **Disclosure of Criminal Records to Family**

Before HANO or its Agents takes any adverse action based on a criminal conviction record, the applicant and subject of record will be provided with a copy of the criminal record and an opportunity to dispute the record. Applicants will be provided an opportunity to dispute the record at a grievance hearing. Residents may contest such records at the grievance hearing or court hearing in the case of evictions.

### **Screening and Reasonable Accommodations:**

Many applicants with disabilities will pass screening, will not need a reasonable accommodation, will not need special accessibility features, and will be admitted in exactly the same manner as applicants without disabilities.

Applicants who fail screening will receive a rejection letter. This letter must provide all applicants with information concerning the PHA's informal review process and their right to request a hearing. The letter must also state that applicants with disabilities have the right to request reasonable accommodations to participate in the informal hearing process. The PHA is obligated to provide such reasonable accommodation unless doing so would result in a fundamental alteration in the nature of the PHA's program. If requested by the applicant, a PHA must consider verifiable mitigating circumstances

that explain and/or overcome any prior misconduct related to a previous tenancy. If a reasonable accommodation would allow an applicant with a disability to meet the eligibility requirements for housing, a housing provider must provide the requested accommodation.

### **Rent Paying Habits**

HANO or its Agents will examine records from a prior tenancy and will request written references from the applicant's current landlord and may request written references from former landlords for up to the past 12 months. Based upon these verifications, HANO or its Agents will determine if the applicant was chronically late with rent payments, was evicted at any time during the past 12 months for nonpayment of rent, or had other legal action initiated against him/her for debts owed. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation. HANO and its Agents will undertake a balancing test that will consider: (1) amount of former rent; (2) loss of employment; (3) death or divorce from primary support; (4) illness or other circumstances beyond applicant's control. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation. The lack of credit history will not disqualify a family, but a poor credit history will, with the exceptions noted above. Where past rent paying ability cannot be documented, the utility company(s) payment history will be used to determine whether the family has been current and timely on their payments.

### **Screening Applicants Who Claim Mitigating Circumstances**

Mitigating circumstances are facts relating to the applicant's record of unsuitable rental history or behavior, which, when verified would indicate both: (1) the reason for the unsuitable rental history and/or behavior; and (2) that the reason for the unsuitable rental history and behavior is no longer in effect or is under control, and the applicant's prospect for lease compliance is an acceptable one, justifying admission.

If unfavorable information is received about an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct. In order to be factored into the screening assessment of the applicant, mitigating circumstances must be verifiable.

If the mitigating circumstances claimed by the applicant relate to a change in disability, medical condition or course of treatment, HANO or its Agents shall have the right to refer such information to persons who are qualified and knowledgeable to evaluate the evidence and to verify the mitigating circumstance. HANO or its Agents shall also have the right to request further information reasonably needed to verify the mitigating circumstance, even if such information is of a medically confidential nature.

Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.

Mitigation of disqualifying information for victims of domestic violence, dating violence or stalking will be considered when negative reporting is the consequences of domestic

violence, dating violence or stalking. Any inquiries related to the mitigation circumstances must be remain confidential.

A rejected applicant has a right for an informal review and a right to have a representative present.

### **Examples of Mitigating Circumstances**

Evidence of the applicant family's participation in and completion of social service or other appropriate counseling service approved by HANO or its Agents;

Evidence of successful and sustained modification of previous disqualifying behavior.

Consideration of mitigating circumstances does not guarantee that the applicant will qualify for admission. HANO or its Agents; will consider such circumstances in light of:

The applicant's ability to substantiate through verification, the claim of mitigating circumstances and his/her prospects for improved future behavior and

The applicant's overall performance with respect to all the screening requirements.

### **Qualified and Unqualified Applicants**

Information that has been verified by the Housing Authority or its Agents will be analyzed, and a determination will be made with respect to:

- Eligibility of the applicant as a family;
- Income eligibility of the applicant with respect to maximum income limits for the property and/or unit;
- Eligibility of the applicant with respect to citizenship or eligible immigration status;
- Any local preference to which the family is entitled.

Assistance to a family may not be delayed, denied or terminated on the basis of the family's ineligible immigration status, unless and until the family completes all the verification and appeals processes to which they are entitled under both INS, HANO, or the Agents procedures, except for a pending hearing.

Applicants who are determined to be unqualified for admission will be promptly notified within 48 hours with a Notice of Denial of Admission stating the reason for the denial. The applicant shall be provided an opportunity for an informal hearing (see Chapter titled "Complaints, Grievances, and Appeals").

Applicants who have requested a reasonable accommodation as a person with a disability and who have been determined eligible, but fail to meet the Applicant Selection Criteria, will be offered an opportunity for a second meeting to have their cases examined to determine whether mitigating circumstances or reasonable accommodations will make it possible for them to be housed in accordance with the screening procedures.

Every effort will be made to accurately estimate an approximate date of occupancy. However, the date given by HANO, or its Agents does not mean that applicants should

expect to be housed by that date.

The availability of a suitable unit to offer a family is contingent upon factors not directly controlled by HANO or its Agents, such as turnover rates, and market demands as they affect bedroom sizes and project location.

### **Documenting Findings**

An authorized representative of the Housing Authority or its Agents shall document any pertinent information received relative to the following:

Pattern of Violent Behavior - includes evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.

Initiating Threats - behaving in a manner indicating intent to assault employees or other residents.

Abandonment of a Public Housing Unit - without advising the Management Staff so that staff may secure the unit and protect its community from vandalism.

Non-Payment of Rightful Obligations - including rent and/or utilities and other charges owed to HANO or its Agents or any other PHA.

Intentionally Falsifying an Application for Leasing - including uttering or otherwise providing false information about family income and size, using an alias on the application for housing, or making any other materially false statement or omission intended to mislead.

Record of Serious Disturbances of Neighbors, Destruction of property or other Disruptive or Dangerous Behavior - consists of patterns of behavior which endanger the life, safety, or welfare of other persons by physical violence, gross negligence or irresponsibility; which damage the equipment or premises in which the applicant resides, or which are seriously disturbing to neighbors or disrupt sound family and community life, indicating the applicant's inability to adapt to living in a multi-family setting.

Includes judicial termination of tenancy in previous housing on the grounds of nuisance or objectionable conduct, or frequent loud parties, which have resulted in serious disturbances of neighbors.

Grossly Unsanitary or Hazardous Housekeeping - includes the creation of a fire hazard through acts such as hoarding rags, papers, or other materials; severe damages to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage in halls; or serious neglect of the premises. This category does not include families whose housekeeping is found to be superficially unclean or due to lack of orderliness, where such conditions do not create a problem for neighbors.

Destruction of property from previous rentals.

In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors, which might indicate a reasonable probability of favorable future conduct or financial prospects.

HANO or its Agents may waive the policies prohibiting admission in these circumstances if the person demonstrates to HANO or its Agent's satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and has successfully completed a supervised drug or alcohol rehabilitation program.

#### **4.14 HEARINGS**

If information were revealed that would cause HANO or its Agents to deny admission to the household and the person disputes the information, she/he shall be given an opportunity for an informal hearing according to HANO's hearing procedures outlined in the Chapter on Complaints, Grievances and Appeals.

#### **4.15 FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY**

After the verification process is completed, the Site Manager will make a final determination of eligibility. This decision is based upon information provided by the family; the 3<sup>rd</sup> party verification and the resident suitability determination (see Chapter on Eligibility for Admission).

Because HUD and the Tax Credit Requirements can make changes in rules or regulations and family circumstances may have changed during the review process that affect an applicant's eligibility, it is necessary to make final eligibility determination.

The household is not actually eligible for a unit offer until this final determination has been made, even though they may have been preliminarily determined eligible and may have been listed on the waiting list.

Any time after final eligibility determination, applicants must report changes in family status, including income, family composition, and address, in writing, within 10 calendar days of the change.

If the family did not report the change within the required time frame, the family will be determined ineligible and offered an opportunity for an informal hearing.

## Chapter 5

### RESIDENT SELECTION AND ASSIGNMENT

#### INTRODUCTION

It is the Housing Authority of New Orleans policy that each applicant shall be assigned an appropriate placement on the waiting list for the project(s) in which the applicant wishes to reside.

Applicants will be listed in sequence based upon:

- factors of preference or priority;
- the size and type of unit they require;
- date and time the application is received,

In filling an actual or expected vacancy, the dwelling unit will be offered to an applicant in the appropriate sequence with the goal of accomplishing deconcentration of poverty and income-mixing objectives. With respect to the Signature Communities, a dwelling unit will be filled consistent with any Tax Requirement as well as any other governing documents that applicable. The unit will be offered until it is accepted. This Chapter describes HANO's policies with regard to the number of units offers that will be made to applicants selected from the waiting list.

#### **Objectives**

HANO and its Agents' policies will be followed consistently and will affirmatively further HUD's fair housing goals.

It is the objective to ensure that families are placed in the proper order on the waiting list so that the offer of a unit is not delayed to any family unnecessarily or made to any family prematurely. This chapter explains the policies for the management of the waiting list.

When appropriate units are available, families will be selected from the waiting list in their preference-determined sequence.

By maintaining an accurate waiting list, HANO and its Agents will be able to perform the activities, which ensure that an adequate number of qualified applicants will be available to fill unit vacancies in a timely manner. Based on turnover and the availability of appropriately sized units, families will be selected from the waiting list to form a final eligibility "pool." Selection from the pool will be based on completion of verification.

#### **A. SITE BASED WAITING LISTS**

The Housing Authority offers a system of site-based waiting lists at the conventional Public Housing and Signature Communities.

Applicants may choose on which site-based waiting list they wish to be placed by applying online for the community in which they seek to reside.



When there are insufficient applicants on a site-based waiting list, HANO or the Agents must follow the criteria for re-opening the site-based waiting list.

Every reasonable action will be taken to assure that applicants can make informed choices regarding the project(s) in which they wish to reside. Information regarding the location of available sites, occupancy number and size of accessible units will be disclosed to the resident including basic information relative to amenities such as day care, security, transportation, training programs, and an estimate of the period of time the applicant will likely have to wait to be admitted to units of different types.

### **Monitoring Site-Based Waiting Lists**

The system of site-based waiting lists will be periodically monitored by HANO's Asset Management Department to assure that civil rights and fair housing are affirmatively furthered.

HANO will at least every three years use independent testers or other means satisfactory to HUD to assure that the site-based waiting list systems is not being implemented in a discriminatory manner, and that no patterns or practices of discrimination exist. If there are found to be any problems, HANO will take immediate steps to remedy. HANO will provide results of any such test or review to HUD. HANO will assess changes in racial, ethnic or disability-related resident composition at each site that has occurred during the implementation of the site-based waiting lists.

The adoption of site-based waiting lists is not in violation of any court order or settlement agreement and is inconsistent with any pending complaint brought by HUD.

### **B. WAITING LIST PREFERENCES**

A preference does not guarantee admission to the program. Preferences are used to establish the order of placement on the waiting list. Every applicant must meet HANO, or its Agent's Selection Criteria as defined in this policy. Every applicant must meet HANO's, or its Agents Selection Criteria as defined in this Policy or in the Regulatory and Operating Agreement or the Management Plans that govern the Signature Community.

The preference system will work in combination with requirements to match the characteristics for the family to the type of unit available, including units with targeted populations, and further deconcentration of poverty in public housing.

When such matching is required or permitted by current law, HANO or its Agents will give preference to qualified families.

Families who reach the top of the waiting list will be contacted by HANO or its Agents to verify their preference and, if verified, HANO or its Agents will complete a full application for occupancy. Applicants must complete the application for occupancy, continue through the application processing, and may not retain their place on the waiting list if they refuse to complete their processing when contacted by HANO or its Agents.

Among applicants with equal preference status, the waiting list will be organized by date and time.

## **Local Preferences**

Preferences will be used to select among applicants on the waiting list. Public notice with opportunity for public comment will be held before HANO adopts any preference.

The notice will be publicized using the same guidelines as those for opening and closing the waiting list.

The notice will be distributed following the same guidelines as those used for opening or closing the waiting list.

## **Working preference**

It must be apparent that the employment is of a continuous, at least six (6) consecutive months immediately prior to the date of placement, opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. This preference is automatically extended to elderly families or families whose head or spouse meets the HUD/Social Security definition of disability

Applicants will be ranked as followed:

<b>Preference</b>	<b>Hours</b>	<b>Points</b>
Working	30 +	5
Elderly/Disabled	Exempted	5
Working	29 to 25	4
Working	24 to 20	3
Fulltime student	12+ credit hours	3
Working/Job training	20 < and in job training	2
Working	19 or less	1
Not Working		0

## **Disaster Preference Policy**

Low-income residents that are involuntarily displaced by a federally declared disaster may be admitted to HANO's public housing program if they meet specified conditions and program eligibility and admission requirements. Upon verification of displacement, HANO may offer public housing assistance to victims even though they are not on the waiting list. Such offers will be made in accordance with the extent and type of housing resources available at the time of the need and in consideration of other HANO preference categories. Priority will be given to displaced public housing residents.

### **Verification and Admission:**

Displaced residents must request the disaster preference within 60 days of the date that the disaster occurred; provide documentation of disaster-related displacement; and undergo the agency's standard application, eligibility, screening, and verification processes.

Documentation will be needed to verify that the applicant's permanent residence was rendered uninhabitable by a federally declared disaster. This documentation includes:

- A copy of the former lease, or other documentation verifying that the applicant was permanently housed at an affected address at the time the federally declared disaster occurred; and
- Correspondence/report(s) from units of government such as FEMA, HUD, City or Public Housing agencies, and/or from recognized disaster relief organizations such as the Red Cross specifying that the applicant's dwelling unit was rendered uninhabitable due to a federally declared disaster.

The applicant must supply all disaster-related documentation within 15 business days of making a request for this preference. HANO may extend this requirement, at its discretion, if such documentation is not readily available due to the disaster. Once processing is completed and an eligibility determination is made, the displaced applicant will be offered a public housing unit in accordance with existing HANO policies and procedures. Security deposits and rent amounts payable will be based on the agency's standard policies and procedures.

*Agents of Signature Communities may have other regulatory eligibility requirements that exceed HANO's local preferences that are not listed here, but will be included as needed in Operating Agreements or the Management Plans and Management Agreements that are site specific.*

#### **C. ORDER OF SELECTION FOR GENERAL OCCUPANCY (FAMILY) COMMUNITIES**

HANO has established local admissions preferences for general occupancy (family) Conventional Public Housing and the Signature Communities.

#### **D. ORDER OF SELECTION FOR MIXED POPULATION COMMUNITIES**

A mixed population community is a public housing community, or portion of a project that was reserved for elderly families and disabled families at its inception.

In accordance with the 1992 Housing Act, elderly families whose head spouse or sole member is at least 62 years of age, and disabled families whose head, co-head or spouse or sole member is a person with disabilities, will receive equal preference to such units.

No limit will be established on the number of elderly or disabled families that may occupy a mixed population community. All other HANO preferences will be applied.

HANO has established the following local admissions preferences for Mixed Population communities. Per HUD regulations, equal preference must be given to Elderly Families and Disabled Families:

First Priority: Elderly families or disabled families

This Preference unless otherwise specifically specific in the Operation Agreements does not apply to Signature Properties.

## **E. VERIFICATION OF PREFERENCE QUALIFICATION**

Upon verification of the family preference, the family will be placed on the waiting list. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list and ranked without the Local Preference.

### **Change in Circumstances**

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. HANO or its Agents will notify applicants in writing that they are required to inform Management of their preference changes.

Applicants are required to notify HANO or its Agents in writing when their circumstances change. When an applicant claims an additional preference, she/he will be placed on the waiting list in the proper order of their newly claimed preference.

## **F. PREFERENCE DENIAL**

If HANO or its Agents deny a preference, the applicant will be placed on the waiting list without benefit of the preference.

HANO or its Agents will notify the applicant in writing of the reasons why the preference was denied.

HANO or its Agents will also inform the applicant about the available preferences and give the applicant an opportunity to show that he/she qualifies for available preferences. Applicants may exercise other rights if they believe they have been discriminated against.

Any applicant who falsifies documents or makes false statements in order to qualify for any preference will be removed from the waiting list with notification to the family.

## **G. FACTORS OTHER THAN PREFERENCES THAT AFFECT SELECTION OF APPLICANTS**

Before applying its preference system, HANO or its Agents will first match the characteristics of the available unit to the applicants available on the waiting lists. Factors such as unit size, accessible features, deconcentration or income mixing, income targeting, or units in housing designated for the elderly limit the admission of families to those characteristics that match the characteristics and features of the vacant unit available.

By matching unit and family characteristics, families who are lower on the waiting list may receive an offer of housing ahead of families with lower number.

HANO's Deconcentration Policy, as described in the Agency Plan, may include selecting families on the waiting list either to bring families above the established income range, EIR, into communities that are below the established income range, or to

bring families below the established income range into communities that are above the established income range, EIR.

Any admission mandated by court order related to desegregation or Fair Housing and Equal Opportunity will take precedence over the Preference System. Other admissions required by court order will also take precedence over the preference system. If permitted by the court order, HANO may offer the family a Section 8 housing voucher.

## **H. INCOME TARGETING**

HANO will monitor its admissions to ensure that at least 40 percent of families admitted to public housing in each fiscal year shall meet HUD's definition of an "extremely low-income family" in HANO's jurisdiction.

An extremely low-income family is a family whose annual income does not exceed the federal poverty level or 30% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

HANO shall have the discretion, at least annually, to exercise the "Fungibility" provision of the Quality Housing Work Responsibility Act (QHWRA) by admitting less than 40% of "extremely low-income families" to public housing in a fiscal year, to the extent that admissions of extremely low-income families to HANO's Housing Choice Voucher Program (Section 8) during its fiscal year exceeds the 75% minimum targeting requirement for HANO's Housing Choice Voucher Program.

The Fungibility credits will be used to drop the annual requirement below 40% of admissions to public housing for extremely low-income families by the lowest of the following amounts:

The number of units equal to 10% of the number of newly available vouchers in the fiscal year; or

The number of public housing units that 1) are in public housing projects located in census tracts having a poverty rate of 30% or more, and 2) are made available for occupancy by and actually occupied in that year by, families other than extremely low-income families.

The Fungibility Floor: Regardless of the above two amounts, in a fiscal year, at least 30% of admissions to public housing unit will be to extremely low-income families. The Fungibility floor is the number of units that cause HANO's overall requirement for housing extremely low-income families to drop to 30% of its newly available units.

Fungibility shall only be utilized if the HANO is anticipated to fall short of its 40% goal for new admissions to public housing.

Income Targeting may not be applicable as stated due to the compliance with the Operating Agreements established with private lenders/syndicators. Often the selection of affordable units exceeds the requirement of the Fungibility Floor. Each Signature Community will be viewed individually.

## **Low Income Family Admissions**

HANO or its Agents will admit only families whose incomes do not exceed 80% of the HUD approved area median income for conventional public housing units only. No LIHTC unit shall be rented to residents who fail to meet the Tax Credit Income Requirements.

### **I. UNITS DESIGNATED FOR THE ELDERLY**

In accordance with the 1992 Housing Act, elderly families with a head, spouse or sole member at least 62 years of age will receive a preference for admission to such units or buildings covered by a HUD-approved Designated Housing Plan except for the units, which are accessible, which may be offered to persons with disabilities.

HANO will take the following action when processing families for communities designated for the elderly:

Near elderly families are only eligible for admission to projects designated for the elderly if the PHA determines there are an insufficient number of elderly families designed elderly.

Every applicant near elderly applicant whose is 50 to 61 years of age has a preference for an elderly designated unit.

Families with members who require a unit with accessible features will receive preference for such units over families who do not require such features.

### **J. UNITS DESIGNATED FOR THE DISABLED**

In accordance with the 1992 Housing Act, disabled families with a head, spouse or sole member who qualifies as a person with disabilities will receive a preference for admission to units that are covered by a HUD-approved Designated Housing Plan.

### **K. DECONCENTRATION OF POVERTY AND INCOME-MIXING**

HANO's admission policy is designed to provide for deconcentration of poverty and income mixing by bringing higher income residents into lower income projects and lower income residents into higher income projects.

Nothing in the deconcentration policy relieves HANO of the obligation to meet the income-targeting requirement.

Gross annual income is used for income limits at admission and for income-mixing purposes.

## **Deconcentration and Income-Mixing Goals**

To the extent this deconcentration policy is applicable to the public housing units in Signature Communities, HANO acknowledges that its Signature Communities are mixed-income or mixed-finance developments that include policies intended to promote

income mixing in public housing, increase incomes of public housing residents, or the income mix is otherwise subject to individual review and approval by HUD through mixed-finance review or other approval processes. As such, the incomes of public housing Residents may fall outside the Established Income Range (as defined below). In such an event, HANO will provide appropriate explanation of such an occurrence in its Annual Plan.

HANO's deconcentration and income-mixing goal, in conjunction with the requirement to target at least 40% of new admissions to public housing in each fiscal year to "extremely low-income families", will be to admit families above HANO's Established Income Range (EIR) to communities below the EIR, and families below HANO's EIR to communities above the EIR.

Deconcentration applies to transfer families as well as applicant families.

### **Project Designation Methodology**

Annually, HANO will determine the average income of all families residing in general occupancy communities, excluding the Signature Communities.

HANO will then determine the average income of all families residing in each community.

HANO will then determine whether each general occupancy communities fall above, within or below the Established Income Range (EIR).

The EIR is 85% to 115% (inclusive of 85% and 115%) of the HANO-wide average income for general occupancy.

HANO will then determine whether communities outside EIR are consistent with local goals and strategies in the Housing Authority Plan. Any deconcentration policy as needed is described in the Agency Plan.

### **Deconcentration Policy**

If, at annual review, there are found to be communities with average income above or below the EIR, and where the income profile for general occupancy communities above or below the EIR is not explained or justified in the Agency Plan, HANO shall list these covered communities in its Annual Plan.

The Housing Authority shall adhere to the following policies for deconcentration of poverty and income mixing in applicable communities.

HANO shall establish a preference for admission of working families in covered communities below the EIR.

HANO shall target investment and capital improvements toward covered communities below the EIR to encourage applicant families whose income is above the EIR to accept units in those communities. These incentives are described in the Agency Plan.

## **Deconcentration Compliance**

If, at annual review, the average incomes at all covered communities are within the Established Income Range, HANO will be considered to be in compliance with the deconcentration requirement.

### **L. PROMOTION OF INTEGRATION**

Beyond the basic requirement of nondiscrimination, HANO and its Agents shall affirmatively further fair housing to reduce racial and national origin concentrations.

HANO or its Agents shall not require any specific income or racial quotas for any communities. This does not apply to the Signature Communities where they must comply with the Tax Credit Requirements that govern specific income limits.

HANO or its Agents shall 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.

### **M. REMOVAL FROM WAITING LIST AND PURGING**

Mailing letters of continued interest to all applicants to ensure that the waiting list is current and accurate will purge the waiting list at least annually. The letters will ask for current information and confirmation of continued interest.

If an applicant fails to respond within 10 days, she/he will be removed from the waiting list. If the Post Office without a forwarding address returns a letter, the applicant will be removed without further notice, and the envelope and letter will be maintained in either an electronic or hard copy the file for up to three years. It is the resident obligation to notify HANO or its Agents of any address and telephone changes.

If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless a person with a disability requests a reasonable accommodation for being unable to reply within the prescribed period.

Notices will be made available in accessible format upon the request of a person with a disability. An extension to reply to the purge notification will be considered as an accommodation if requested by a person with a disability.

### **N. PLAN FOR UNIT OFFERS**

HANO's or its Agents Tenant Selection Plan assure that selection of applicants and assignment in accordance with equal opportunity and non-discrimination on grounds of race, color, sex, religion, or national origin. HANO and its Agent's tenant selection plan must be posted where applicant receives applications.

Applicants are selected in sequence on the waiting list will be made an offer of a unit of the appropriate size at a site in which the applicant seeks to reside.

If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy and/or the one that has been ready the longest.



HANO or its Agents will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection.

#### **O. CHANGES PRIOR TO UNIT OFFER**

Changes that occur during the period between removal from the waiting list and an offer of a suitable unit may affect the family's eligibility or Total Resident Payment. The family will be notified in writing of changes in their eligibility or level of benefits and offered their right to an informal hearing, when applicable.

#### **P. APPLICANT STATUS AFTER UNIT OFFER**

If an applicant rejects the second unit offer, without good cause, HANO or its Agents will remove the applicant's name from the waiting list.

Their application will remain on the list in the same order for their second location. Applicants may not choose another list(s) as a replacement for the location of the refusal. Removal from the waiting list means the applicant must reapply.

#### **Q. TIME-LIMIT FOR ACCEPTANCE OF UNIT**

Applicants must accept a unit offer within 5 calendar days of the date the offer is made. The letter postmark begins the offer period. Offers made over the telephone will be confirmed by letter. If unable to contact an applicant by telephone, HANO or its Agents will send a letter.

#### **Applicants Unable to Take Occupancy**

If an applicant is willing to accept the unit offered but is unable to take occupancy at the time of the offer for "*good cause*," the applicant will not be removed from the waiting list, keeping their same place on all waiting lists.

Examples of "*good cause*" reasons for the refusal to take occupancy of a housing unit include, but are not limited to:

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

Inaccessibility to source of employment or children's day care, such that an adult household member must quit a job, drops out of an educational institution, or a job-training program;

Presence of lead paint in the unit offered when the applicant has children under the age specified by current law;

The family demonstrates that accepting the offer will result in a situation where a family member's life, health or safety will be placed in jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. The reasons offered must be specific to the family. Refusals due to the location of the unit alone are not considered good cause;

A qualified, knowledgeable, health professional verifies the temporary hospitalization or recovery from illness of the principal household member, other household members, or a live-in aide necessary to care for the principal household member;

The unit is inappropriate for the applicant's disabilities;

An applicant demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the applicant's race, color, national origin, etc.;

Inaccessibility to medical care and medical resources.

### **Applicants with a Change in Family Size or Status**

Changes in family composition, status, or income between the time of the interview and the offer of a unit will be processed. HANO or its Agents shall not lease a unit to a family whose occupancy will overcrowd or underutilize the unit.

The family will take the appropriate place on the waiting list/in the selection, pool according to the date they first applied/date interviewed.

### **R. REFUSAL OF OFFER**

If the unit offered is inappropriate for the applicant's disabilities, the family will retain their position on the waiting list.

If the unit offered is refused for other reasons, management will follow the applicable policy as listed in the "Plan for Unit Offers" section and the "Applicant Status after Unit Offer" section.

### **S. OPENING AND CLOSING WAITING LIST PROTOCOL**

#### **Opening and Closing the Waiting Lists**

HANO or its Agents, at their discretion, may open and close the waiting list, but waiting list should not remain open indefinitely without the approval of HANO.

When HANO or its Agents open the waiting list, it will be advertised through public notice in the specific newspapers, minority publications and media entities. Location and program for which applications are being accepted in the local paper of record, "minority" newspapers and other media outlets, other nonprofits, community stakeholders, and corresponding website.

To reach persons with disabilities, HANO or its Agents will provide separate notice to local organizations representing the interests and needs of the disabled.

The notice will contain:

The dates, times, and the locations where families may apply. The Community that is accepting application for the site-based waiting list. A brief description of the programs requires.

Timelines by which to return the application and the dates that the list will close.

A statement that Section 8 participants must submit a separate application if they want to apply for Public Housing as well as Section 8 Participants and families residing in any Public Housing Community that want to apply for a Signature Community must submit a separate applications.

Limitations, if any, on who may apply.

The notices will be made in an accessible format, if requested. It will provide potential applicants with information that includes the site's address and telephone number, how to submit an application and information on eligibility requirements.

Upon request from a person with a disability, additional time may be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application. HANO or its Agents will view each situation on a case-by-case basis.

The waiting list may be open or close according to need based on local preference category or by bedroom size.

The decision to close the waiting list will be based on the number of applications available for a particular size and type of unit or on, the number of applicants who qualify for a local preference.

### **When Application Intake Closes**

During the period when the waiting list is closed, HANO or its Agents will not maintain a list of individuals who wish to be notified when the waiting list is open.

Closing of waiting list is announced in the same manner as opening the waiting list. The closing of the list may be included in the opening announce of this waiting list. The open period shall be long enough to achieve a waiting list adequate to cover projected turnover over the next time limit between 24 and 48 months. When the period for accepting applications is over, HANO or its Agents will not add new applicants to the list.

HANO and its Agents will purge and update the waiting list at least once annually by removing the names of those families who are no longer interested, no longer qualify for housing, or cannot be reached by mail or telephone.

At the time of initial intake, HANO and its Agents will advise families of their responsibility to notify the Management when mailing address or telephone numbers change.

### **Reopening the List**

If the waiting list is closed and HANO and its Agents decide to open the waiting list, the opening of the list will be publicly announced.

Any reopening of the list will be done in accordance with the HUD and Tax Credit Requirements.

### **Multiple Families in Same Household**

When families apply that consist of two families living together, (such as a mother and father, and a daughter with her own husband or children), if they apply as a family unit, they will be treated as a family unit.

## Chapter 6

### OCCUPANCY GUIDELINES

#### INTRODUCTION

The Occupancy Guidelines are established by HANO to ensure that families of the appropriate size occupy units. This policy maintains the maximum usefulness of the units, while preserving them from excessive wear and tear or underutilization. This Chapter explains the Occupancy Guidelines used to determine minimum and maximum unit sizes for various sized families when they are selected from the waiting list, or when a family's size changes, or when a family requests an exception to the occupancy guidelines.

#### A. DETERMINING UNIT SIZE

Neither HANO nor its Agents will determine who shares a bedroom, but there must be at least one person per bedroom. HANO's Occupancy Guideline standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines.

For occupancy standards, an adult is a person 18 years or older or an emancipated minor. All guidelines in this section relate to the number of bedrooms in the unit.

Dwelling units will be so assigned that:

- Generally, one bedroom for two people will be assigned within the following guidelines:
- Adults of different generations, persons of the opposite sex (other than spouses), and unrelated adults will not be required to share a bedroom.
- Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal or interdependent relationship).
- Foster children will be included in determining unit size only if they will be in the unit for more than 6 months.
- Live-in attendants will generally be provided a separate bedroom but is not mandatory that live-in attendants have a separate bedroom. No additional bedrooms are provided for the attendant's family.
- Space may be provided for a child who is away at school but who lives with the family during school recesses.
- Space will not be provided for a family member who will be absent most of the time, such as a member who is away in the military.
- Single person families shall be allocated one bedroom.
- The living room will not be used as a bedroom except for purposes of reasonable accommodation or at the request of the family.

## GUIDELINES FOR DETERMINING BEDROOM SIZE

Bedroom Size	Persons in Household: (Minimum #)	Persons in Household: (Maximum #)
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	5	10
6 Bedrooms	6	12

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### **B. EXCEPTIONS TO OCCUPANCY STANDARDS**

Exceptions from the guidelines in cases where it is the family's request or HANO determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances, and there is a vacant unit available may be granted. If an applicant requests to be listed on a smaller or larger bedroom size waiting list, the following guidelines will apply:

Applicants 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 local codes). The family must agree not to request a transfer until their family composition changes and they have occupied the unit for 2 years.

For a three-person family that includes two adults and an infant, HANO or its Agents may allow the family to lease a one-bedroom unit in a desired general occupancy project.

However, HANO will not lease a one-bedroom unit to a three-person family that includes two adults and an adolescent or teenager.

In cases such as those above, a family that voluntarily accepts a unit that is smaller than what the family is eligible for will be required to sign a statement stating that unless there is an increase in family size the family agrees that they are not eligible for transfer to a larger unit within the term of the lease.

HANO or its Agents may offer a family a unit that is larger than required by HANO's occupancy standards, if the waiting list is short of families large enough to fill the vacancy and/or Management determines that the unit for the project is insufficient for accommodating any additional large families.

In all cases, where the family requests an exception to the general occupancy standards, Management will evaluate the relationship and ages of all family members and the overall size of the unit.

The family may request to be placed on a larger bedroom size waiting list than indicated by HANO's occupancy guidelines. The request must explain the need or justification for a larger bedroom size and must be verified by HANO or its Agents before the family is placed on the larger bedroom size list. HANO or its Agents will consider these requests:

### **Person with Disability**

Reasonable accommodations are the only area where under-housing or over-housing situations will be employed.

HANO or its Agents will grant an exception upon request as a reasonable accommodation for persons with disabilities, if the need is appropriately verified and meets requirements in the Fair Housing Reasonable Accommodations Policy section of Chapter 1.

### **Other Circumstances**

Circumstances may dictate a larger size than the occupancy standards permit when:

Persons cannot share a bedroom because of a need for medical equipment due to its size and/or function. Requests for a larger bedroom due to medical equipment must be verified by a doctor.

Requests based on health-related reasons must be verified by management and qualified professional. HANO or its Agents will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

An exception will be granted if the family has submitted an "Appointment of Temporary Guardian" to HANO or its Agents.

If this form has been submitted, HANO or its Agents will also require that the family has initiated legal proceedings for guardianship or legal custody.

HANO or its Agents must approve all members of the family residing in the unit.

The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform management within 10 days.

To avoid vacancies, HANO or its Agents may provide a family with a larger unit than the occupancy standards permit.

The family must agree to move to a suitable, smaller unit when another family qualifies for the larger unit and there is a suitable smaller unit available.

### **C. ACCESSIBLE UNITS**

The Communities have units designed for persons with mobility, sight and hearing impairments. These units were designed and constructed specifically to meet the needs of persons requiring the use of wheelchairs and persons requiring other modifications.

Preference for occupancy of these units will be given to families with disabled family members who require the modifications or facilities provided in the units.

No non-mobility-impaired families will be offered these units until all eligible mobility-impaired applicants have been considered.

Accessible units will be offered and accepted by non-mobility impaired applicants only with the understanding that such applicants must accept a transfer to a non-accessible unit at a later date if a person with a mobility impairment requiring the unit applies for housing and is determined eligible.

### **D. FAMILY MOVES**

When a change in the circumstances of a resident family such as a change in family composition, reasonable accommodation, and VAWA requirements requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List.

The unit considerations in this section should be used as a guide to determine whether and when the bedroom size should be changed. If an unusual situation occurs, which is not currently covered in this policy, the case should be taken to the manager who will make determination after review of the situation, the individual circumstances, and the verification provided.



## Chapter 6

### DETERMINATION OF TOTAL TENANT PAYMENT

#### INTRODUCTION

The accurate calculation of Annual Income and Adjusted Income ensures that families do not pay more or less in rent than obligated under the relevant Federal regulations.

This Chapter defines the allowable deductions from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subpart F and further instructions set forth in HUD Notices, Memoranda and Addenda. However, the Quality Housing and Work Responsibility Act now give PHA's broader flexibility. The PHA's policies in this Chapter address those areas that allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors including those that are consistent to the Tax Credit Requirements that relate to the determination of TTP.

Notwithstanding anything to the contrary in this Chapter 6, HANO or its Agents will follow the Low-Income Housing Tax Credit Requirements in calculating Total Tenant Payment (TTP) to the extent such Tax Credit Requirements are more stringent than those described herein.

#### A. COMPUTATION OF TENANT RENT

The first step in computing rent is to determine each family's TTP. If the family is occupying a unit that has tenant-paid utilities, the utility allowance must be subtracted from the TTP. The result of this computation, if a positive number, is the tenant rent. If the TTP, less the utility allowance, is a negative number, the result is the utility reimbursement, which is paid to the tenant.

TTP is the highest of:

30% of adjusted monthly income; or

10% of monthly income;

But TTP is never less than the Minimum Rent; and

TTP is never more than the Flat Rent, if chosen by the family

For public housing units with Low Income Housing Tax Credits (LIHTC), the TTP cannot exceed the maximum allowed rent under Section 42 Requirements, the Extended Use Agreement and Louisiana Housing Corporation restrictions.

The TTP does not include charges for excess utility consumption or other charges.

Charges for excess utility consumption or other utility related consumptions do not apply to residents residing in the Signatures Communities.

#### B. MINIMUM RENT

The minimum rent for HANO is \$50.00. The minimum rent refers to a minimum total Tenant payment and not a minimum Tenant rent.

HANO or its Agents recognize that in some instances even the minimum rent may create a financial hardship for families.

HANO and its Agents will review all relevant circumstances brought to its attention regarding financial hardship as it applies to minimum rent. The following section states that procedures and policies are in regard to minimum rent financial hardship as set forth by the QHWRA.

### **Procedures for Notification to Families of Hardship Exemptions**

- All families subject to a minimum rent will be notified of their right to request a minimum rent hardship exemption under the law.
- All families at the annual recertification appointment will be notified of their right to request a minimum rent hardship exemption.
- HANO or its Agents will notify all families at time of lease-up of their right to request a minimum rent hardship exemption.

The interviewer will document in the family's file that the family has been notified of their right to request a minimum rent hardship exemption.

Notification will advise the family that hardship exemption determinations are subject to grievance procedures.

HANO or its Agents will review all Tenant requests for exemption from the minimum rent due to financial hardships.

All requests for minimum rent exemption are required to be in writing.

HANO or its Agents notification will be provided to residents in writing and verbally during the re-examination process.

Requests for minimum rent exemption must state the family circumstances that qualify the family for an exemption.

### **Exemptions to Minimum Rent**

Minimum rent exemption will be immediately granted to all families who request it, pending verification.

The Minimum Rent will not be suspended until management determines whether the hardship is covered by statute and it whether it is temporary or long term. If it is determined that the minimum rent is not covered by statute, management will impose a minimum rent including payment for minimum rent from the time of suspension.

Standard verification procedures will be used to verify circumstances that have resulted in financial hardship, such as loss of employment, death in the family, etc.

Residents with any form of income do not qualify for exemption with special circumstances.

## **HUD Criteria for Hardship Exemption**

In order for a family to qualify for a hardship exemption, the family's circumstances must fall into one of the following criteria:

- The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance;
- The family would be evicted as a result of the imposition of the minimum rent requirement;
- The income of the family has decreased because of changed circumstances, including:
  - i. Loss of employment
  - ii. Death in the family
  - iii. Other circumstances as determined by HANO or HUD

## **HANO Policy Regarding Hardship Exemption**

For purposes of providing the hardship exemption to minimum rent in a fair and consistent manner, HANO has established policy regarding the above-mentioned HUD criteria.

"Loss of employment" is defined as being laid off or terminated through fault or no fault of the employee. Loss of employment does not, for the purposes of exemption to minimum rent, include voluntarily quitting employment.

"Death in the family." Family, for the purposes of exemption to minimum rent, includes head of house or spouse, any adult on the public housing lease or any family member on the public housing Lease.

### **Duty to Report Change in Hardship**

Families must report if the circumstances that made the family eligible for the hardship exemption are no longer applicable. The family shall within seven (7) days. HANO will provide a 30-day notice of any rent increase, and such rent increase will be effective the first day of the month beginning after the end of that 30-day notice period.

If the family does not report the change within seven (7) days, the adjustment will be made retroactive to the date it would have been effective had the information been provided within the seven (7) day reporting period. The family will be responsible for any underpaid rent and may be offered a repayment agreement.

### **Temporary Hardship**

If management determines that the hardship is temporary (less than 90 days), a minimum rent will be imposed, including back payment from time of suspension, but the family will not be evicted for nonpayment of rent during the 90-day period commencing on the date of the family's request for exemption.

## **Repayment Agreements for Temporary Hardship**

A repayment agreement will be offered to the family for any such rent not paid during the temporary hardship period.

If the family owes HANO or its Agents money for rent arrears incurred during the minimum rent period, the total amount of rent owed will be calculated and divided by 12 to arrive at a reasonable payment increment that will be added to the family's regular monthly rent payment. The family will be required to pay the increased amount until the arrears are paid in full.

HANO's policies regarding repayment agreements are further discussed in the chapter entitled "Family Debts to the PHA."

Retroactive Determination (This policy does not apply to the Signature Communities). HANO will reimburse the family for minimum rent charges that took effect after October 21, 1998, that qualified for one of the mandatory exemptions.

If the family is owed a retroactive payment, HANO will offer the family a choice of either a cash refund or a credit towards their rent.

Retroactive Determinations are not applicable to the Agents of the Signature Communities.

### **C. INCOME AND ALLOWANCES**

**Income:** HUD defines the types of money that are to be used as income for purposes of calculating the TTP in federal regulations. In accordance with this definition, income from all sources of each member of the household is documented. (See Income Inclusions and Income Exclusions in the Glossary of Terms of this policy.)

**Annual Income** is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions and does not include income that has been excluded by HUD. Annual income is used to determine whether applicants are within the applicable income limits.

**Adjusted Income** is defined as the annual income minus any HUD allowable deductions.

#### **Allowable Deductions**

HUD has five allowable deductions from Annual Income:

1. Dependent allowance: \$480 each for family members (other than the head or spouse), who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
2. "Elderly" allowance: \$525 per household for families whose head or spouse are 62 or over or disabled.

3. Allowable unreimbursed medical expenses for all family members are deducted for elderly and disabled families.
4. Childcare expenses for children under the age 13 years are deducted when childcare is necessary to allow an adult family member to work, actively seek work, or attend school (including vocational training).
5. Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

#### **D. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS**

The annual income for qualified families may not be increased as a result of increases in earned income beginning on the date on which the increase in earned income begins and continuing for a cumulative 12-month period. After the family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A family qualified for the earned income exclusion is a family that occupies a dwelling unit in a public housing project, is paying income-based rent; and

1. Whose annual income increases as a result of employment of a family member who was previously unemployed for one or more years prior to employment;
2. Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
3. Whose annual income increases, as a result of new employment or increased earnings of a family member during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least \$500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least \$500 in such TANF benefits and services as one-time payments, wage subsidies, and transportation assistance.

The HUD definition of “previously unemployed” includes a person who has earned in the previous twelve (12) months no more than the equivalent earnings for working ten (10) hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Amounts to be excluded are any earned income increases of a family member during participation in an economic self-sufficiency or job-training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member.

The incremental increase in income is calculated by comparing the amount of the family member's income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

### **Initial Twelve-Month Exclusion**

During the cumulative 12-month period, beginning on the date a member of a qualified family is first employed or the family member first experiences an increase in employment income, HANO will exclude from annual income the full amount of any increase in income of the family member as a result of employment over the prior income of that family member.

### **Second Twelve-Month Phase-in Exclusion**

During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, management must exclude from annual income of a qualified family 50 percent of any increase in income of a family member as a result of employment over income of that family member prior to the beginning of such employment.

### **Maximum Two-Year Disallowance**

The earned income disallowance is limited to a lifetime 24-month period for each family member. For each family member, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 24-month period starting from the date of the initial exclusion.

If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 24-month period. No earned income disallowance will be applied after the 24-month period following the initial date the exclusion was applied.

Once a family member is determined to be eligible for the EID, the 24–calendar month period starts. If the family member discontinues the employment that initially qualified the family for the EID, the 24–calendar month period continues.

### **Applicability to Child Care and Disability Assistance Expense Deductions**

The amount deducted for childcare and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the

amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare and disability assistance expense deductions.

### **Tracking the Earned Income Exclusion**

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent.

Such documentation will include:

Date the increase in earned income was reported by the family

Name of the family member whose earned income increased

Amount of the increase in earned income (amount to be excluded)

Date the increase in income is first excluded from annual income and ending date of 12-month period of exclusion.

Date the 12-month phase-in period will begin

Ending date of the maximum 24 month (two year) disallowance period (24 months from the date of the initial earned income disallowance)

HANO or its Agents will maintain a tracking system to ensure correct application of the earned income disallowance.

### **Inapplicability to Admission**

The earned income disallowance is only applied to determine the annual income of families residing in public housing, and therefore does not apply for purposes of admission (including the determination of income eligibility or any income targeting that may be applicable).

## **E. TRAINING OR RESEARCH PROGRAMS FUNDED BY HUD OR OTHER PUBLIC AGENCIES**

All training income from a HUD sponsored or funded training program, whether incremental or not, is excluded from the resident's annual income while the resident is in training. Income from a resident services training program, which is funded by HUD, is excluded.

In addition, HANO will deduct from annual income any charitable gifts received as part of a research project funded in whole or in majority by state or federal public agencies or charitable funding organizations with 501(c)(3) tax-exempt status.

## **F. WAGES FROM EMPLOYMENT WITH THE PHA OR RESIDENT ORGANIZATION**

Upon employment with HANO, at Signature Community or an officially recognized Resident Organization, the full amount of employment income received by the person is counted. There is no exclusion of income for wages funded under the 1937 Housing Act Programs, which includes public housing and Section 8.

## **G. AVERAGING INCOME**

When Annual Income cannot be anticipated for a full twelve months, HANO or its Agents will:

Annualize current income and conduct an interim recertification, if income changes.

If there are bonuses or overtime, which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

Income from the previous year may be analyzed to determine the amount to anticipate when third party or check-stub verification is not available.

If by averaging, an estimate can be made for those families whose income fluctuates from month to month; this estimate will be used so that the housing payment will not change from month to month.

The method used depends on the regularity, source and type of income.

## **H. MINIMUM INCOME**

There is no minimum income requirement. Families who report zero income are required to complete a written certification every 30 days, which will be provided by management.

Families that report zero income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc. This income may be counted as income for calculation of the Total Tenant Payment.

Where credit reports show credit accounts open and payments current, HANO or its Agents will take action to investigate the possibility of fraud or program abuse.

## **I. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME**

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, their income will be calculated to determine the Total Tenant Payment by:

Excluding the income and deductions of the member if his/her income goes directly to the facility.

## **J. REGULAR CONTRIBUTIONS AND GIFTS**

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every month or more frequently will be considered a "regular" contribution or gift. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis.

It does not include casual contributions or sporadic gifts. (See Chapter on "Verification Procedures," for further definition.) If the family's expenses exceed their known income, management will make inquiry of the family about contributions and gifts.



## **K. ALIMONY AND CHILD SUPPORT**

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, HANO and its Agents must use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

HANO or its Agents will accept as verification that the family is receiving an amount less than the award if:

If verification is received from the agency responsible for enforcement or collection;

The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency or has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply a certified copy of the divorce decree or other documentation necessary to verify the child support amount and receipt of payments.

## **L. LUMP-SUM RECEIPTS**

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or community losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments (unemployment or TANF) are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments, which have accumulated due to a dispute, will be treated the same as periodic payments, which are deferred due to delays in processing.

In order to determine amount of retroactive resident rent that the family owes as a result of the lump sum receipt:

The Lump Sum will be calculated retroactively if the receipt was not reported for 30 days of recertifications.

### **Prospective Calculation Methodology**

If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:

The entire lump-sum payment will be added to the annual income at the time of the interim.

The percent of the year remaining will be determined until the next annual recertification as of the date of the interim (three months would be 25% of the

year).

At the next annual recertification, HANO or its Agents will apply the percentage balance (75% in this example) to the lump sum and add it to the rest of the annual income.

The lump sum will be added in the same way for any interims that occur prior to the next annual recertification.

### **Retroactive Calculation Methodology**

HANO or its Agents will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.

It will be determined the amount of income for each certification period, including the lump sum, and recalculate the resident rent for each certification period to determine the amount due HANO or the Agents..

The family has the choice of paying this "retroactive" amount to HANO or its Agents in a lump sum.

It is at the discretion of Management to enter into a Repayment Agreement with the family.

The amount owed by the family is a collectible debt even if the family becomes unassisted.

### **Attorney Fees Associated with Lump Sum Payments**

The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

## **M. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS**

Contributions to company retirement/pension funds are handled as follows:

While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

## **N. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE**

Assets disposed of for less than fair market value during the two years preceding certification or recertification must be counted.

Management will count the difference between the market value and the actual payment received in calculating total assets. The difference will be included in calculating total assets for two years.

Assets disposed of as a result of foreclosure or bankruptcy is not considered assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation is not considered to be assets disposed of for less than fair market value.

## **O. CHILD CARE EXPENSES**

Unreimbursed childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work, actively seek work, attend school full time, or attend full-time vocational training.

In the case of a child attending private school, only before or after-hours care can be counted as childcare expenses.

If a resident is eligible for the earned income disallowance, the amount of deduction for childcare expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, the disregarded or excluded amounts cannot be used in determining the cap for the childcare expense deduction.

Childcare expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the childcare. Examples of those adult members who would be considered *unable* to care for the child include:

The abuser in a documented child abuse situation, or a person with disabilities or elderly or disabled person unable to take care of a small child, as verified by a reliable knowledgeable source.

Childcare expenses must be reasonable. Reasonable is determined by what the average childcare rates are in HANO's jurisdiction.

Allowability of deductions for childcare expenses is based on the following guidelines:

Childcare to work: The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

Childcare for school: The number of hours claimed for childcare may not exceed the number of hours the family member is attending school (including one hour/other amount of travel time to and from school).

Amount of Expense: HANO and its Agents will survey the local care providers in the community to determine what is reasonable. HANO or its Agents will use the collected data as a guideline. If the hourly rate materially exceeds the guideline, the allowance may be calculated using the guideline.

## **P. MEDICAL EXPENSES**

Medical expense deduction is permitted ONLY for households in which the head, spouse, or sole member is at least age 62, or handicapped or disabled regardless of

their age.

- If the household is eligible for a medical expense deduction (i.e., is an “elderly” family), the medical expenses of all family members are counted.
- “Total medical expense” includes medical insurance premiums, and other medical expenses, which are anticipated during the period for which annual income is computed, and that are not covered by insurance or any other source.
- “Medical Expense” also includes medically needed equipment and assistive animals and the upkeep of both. Examples of equipment include hearing aids, walkers, artificial limbs, and eyeglasses.
- Allowable medical expenses are the portion of total medical expenses that is in excess of three percent (10%) of annual income.
- Ten percent of annual income must first be deducted from the disability assistance expenses. Any remainder is then deducted from total medical expenses.
- If a family has both medical expenses and disability assistance expenses, a special calculation is required.

## **Q. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES**

### **Applicability**

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance. (See Chapter titled "Recertifications.") Applicant mixed families is entitled to prorated assistance. Families that become mixed after June 19, 1995, by addition of an ineligible member are entitled to prorated assistance.

### **TTP CALCULATION FOR MIXED FAMILIES**

The following methodology will be used in calculating the prorated TTP for mixed families.

Step 1. Determine the total tenant payment in accordance with 24 CFR §5.628. Annual income includes income of all family members, including any family member who has not established eligible immigration status.

Step 2. Family maximum rent is equal to the applicable flat rent for the unit size to be occupied by the family.

Step 3. Subtract the total tenant payment from the family maximum rent. The result is the maximum subsidy for which the family could qualify if all

members were eligible (“family maximum subsidy”).

Step 4. Divide the family maximum subsidy by the number of persons in the family (all persons) to determine the maximum subsidy per each family member who has citizenship or eligible immigration status (“eligible family member”). The subsidy per eligible family member is the “member maximum subsidy.”

Step 5. Multiply the member maximum subsidy by the number of family members who have citizenship or eligible immigration status (“eligible family members”). The product of this calculation is the “eligible subsidy.”

Step 6. The mixed family TTP is the maximum rent minus the amount of the eligible subsidy.

Step 7. Subtract any applicable utility allowance from the mixed family TTP. The result of this calculation is the mixed family tenant rent. When the mixed family’s TTP is greater than the maximum rent, the PHA must use the TTP as the mixed family TTP.

## **R. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

HANO or its Agents will not reduce the public housing rent for families whose TANF is reduced specifically because of fraud, failure to participate in an economic self-sufficiency program or noncompliance with a work activities requirement.

However, HANO or its Agents will reduce the rent if the TANF reduction is a result of:

The expiration of a lifetime time limit on receiving benefits; or

A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment; or a situation where a family member has not complied with other welfare agency requirements.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family’s income for rental contribution.

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.

When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

### **Verification before Denying a Request to Reduce Rent**

HANO or its Agents will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the

family's request for rent reduction.

The welfare agency, at the request of Management, will provide information:

Amount and term of specified welfare benefit reduction for the family;

Reason for the reduction and subsequent changes in term or amount of reduction.

### **Cooperation Agreements**

HANO has a written cooperation agreement in place with the local welfare agency that assists HANO in obtaining the necessary information regarding welfare sanctions.

HANO's and its Agents also have a written cooperation in place with the local welfare agency to assist in obtaining information regard welfare sanctions.

### **S. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS**

If the cost of utilities (excluding telephone and cable) is not included in the Resident Rent, a utility allowance will be deducted from the total Tenant Payment. The Utility Allowance is intended to help defray the cost of utilities not included in the rent. The allowances are based on the monthly cost of reasonable consumption of utilities in an energy conservative household, *not* on a family's actual consumption.

When the Utility Allowance exceeds the family's Total Tenant Payment, HANO and its Agents will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the resident.

### **Resident-Paid Utilities in HANO's Conventional Public Housing Communities**

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

When a resident makes application for utility service in his/her own name, he or she must sign a third-party notification agreement so that HANO or its Agents will be notified if the resident fails to pay the utility bill.

If a resident or applicant is unable to get utilities connected because of a previous balance owed to the utility company, the resident /applicant will not be permitted to move into a unit with resident paid utilities. This may mean that a current resident cannot transfer to a scattered site or that an applicant cannot be admitted to a PHA/LIHTC unit with resident-paid utilities.

Paying the utility bill is the resident's obligation under the lease. Failure to pay utilities is grounds for eviction.

### **T. FAMILY CHOICE IN RENTS**

#### **Authority for Family to Select**

HANO or its Agents shall provide for each family residing in a public housing or PHA/LIHTC unit an annual choice to elect to pay income-based rent or flat rent. An explanation of how income-based rents is determined will be provided to the family.

HANO or its Agents may not at any time fail to provide both such rent options for any public housing unit owned, assisted or operated by HANO or under Tax Credit Requirements.

### **Flat Rents**

HANO will establish for each dwelling unit in public housing a flat rent amount which will be based on the market rent charged for comparable units in the private unassisted rental market. Flat rents may vary by unit size, type and development location. HANO will take into consideration location, quality, size, unit type, unit age, and any amenities.

Using the HANO approved utility allowance schedule, resident paid utilities will be deducted from the Flat Rent rate where applicable. In cases where the public housing units receive assistance from Low-Income Housing Tax Credits, the flat rent is equal to the approved tax credit rent applicable to that unit's income restrictions.

Occasionally, HUD may require HANO to update flat rent schedules in accordance with new guidance. This may require HANO to increase flat rent amounts to meet new standards. All residents will be notified 30 days in advance of any changes to the flat rent schedules.

### **Annual Update of Flat Rents**

HANO shall review the Flat Rent structure annually and adjust the rents as needed. For units that also receive Low-Income Housing Tax Credit assistance, the current approved tax credit rents will be obtained from the ownership entity.

When a Public Housing resident chooses Flat Rent, his/her rent shall be adjusted only at the next regular recertification rather than at the Flat Rent change.

HANO shall review the income of families paying flat rent not less than once every three years. Family composition will be reviewed annually for all families, including those paying flat rent, and in accordance with Tax Credit/Section 42 requirements.

### **Switching Rent Determination Methods Because of Hardship Circumstances**

Families who have elected to pay flat rent are eligible to switch to a lower income-based rent, if the family has experienced a verified financial hardship such as:

- Situations in which the income of the family has decreased because of changed circumstances, loss of or reduction of employment, death in the family, and reduction in or loss of income or other assistance;
- An increase in the family's expenses because of changed circumstances for medical costs, childcare, transportation, education, or similar items; and
- Such other situations as may be determined by HANO or HUD. All hardship situations will be verified.

Once a family switches to income-based rent due to hardship, the family must wait until the next annual recertification to elect whether to pay income-based rent or flat rent.

## **Rents for Over-Income Families**

In accordance with section 16(a) of the United States Housing Act of 1937 ("1937 Act"), a family whose income exceeds 120 percent of the Area Median Income (AMI) for two consecutive years shall either have their tenancy terminated, or shall pay a monthly rent equal to the greater of (1) the applicable Fair Market Rent (FMR); or (2) the amount of monthly subsidy for the unit including amounts from the operating and capital fund based on further guidance from HUD.

Families who opt to pay FMR or the amount of the monthly subsidy will be required to enter into a new nonpublic housing lease.

## **Annual Recertification**

Within 120 days in advance of the annual recertification, the family will be notified by mail or hand delivered notice to report to the community management office for their annual recertification. During the interview process, the family will be asked to choose income-based rent or flat rent. Management will explain each rent choice to the family and their rent amount.

If the PHA assisted family chooses flat rent, the family will be required to complete and return a form that certifies the family composition and authorizes criminal background checks. This form will be retained in the resident file.

If PHA/LIHTC resident chooses flat rent, the family's income, household composition and criminal background checks must be recertified annually in order for Management to ensure continued qualification of program requirements.

If the family chooses income-based rent, recertification appointments will be scheduled according to ACOP and Section 42 Tax Credit Requirements.



## Chapter 8

### VERIFICATION PROCEDURES

#### INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment be verified by HANO or its Agents. Applicants and program residents must furnish proof of their statements whenever required by the Housing Authority or its Agents, and the information they provide must be as accurate as possible. Verification procedures are designed to meet HUD's requirements and to maintain program integrity. This Chapter explains HANO's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and when there are changes in family members. Moreover, the verification procedures must be consistent with Tax Credit Requirements and/or the Management Plan or the Management Agreements of the Signatures Communities. HANO or its Agents will ensure that proper authorization for release of information is always obtained from the family before making verification inquiries.

#### A. METHODS OF VERIFICATION AND TIME ALLOWED

The purpose of HUD's EIV System is to make integrated income data available from one source, via the Internet, for PHA's to use to improve income verification during required income recertifications.

##### Benefits of the System

- Increases the efficiency and accuracy of income and rent determinations
- Reduces incidents of underreported and unreported household income
- Removes the barriers to verifying resident-reported income
- Addresses material weaknesses in a PHA's recertification process and program operations
- Assures that more eligible families are able to participate in the program
- Provides wage, unemployment, and Social Security Administration (SSA) benefit information through a data matching process for households covered by a HUD Form 50058.
- Allows HANO or its Agents to view quarterly wage, employer information, weekly/bi-weekly unemployment benefit payments, monthly Social Security (SS) and Supplemental Security Income (SSI) benefits, and Medicare deductions and/or buy-ins for residents within the PHA's jurisdiction.
- Provides income discrepancy reports to identify families who may have substantially underreported household income.
- Provides existing Resident reports
- Helps deter housing fraud.

#### EIV - Enterprise Income Verification

During interim and annual recertification of family income, HANO and its Agent should begin with the highest verification method or Upfront Income Verification (UIV).

UIV is the verification of income before or during a family recertification, through an

independent source that systematically and uniformly maintains income information in a computerized form for a large number of individuals.

EIV (Enterprise Income Verification) is HUD's UIV data system. Through this system, HANO and its Agents can access Resident income information from the Social Security Administration (SSA) and the Department of Health and Human Services (HHS) National Directory of New Hires (HDNH).

### **INCOME Reports Available through EIV:**

- **Income Report Summary** shows income information for the list of household due for recertification in the indicated month and who currently receive or previously received SS/SSI benefits or income.
- **Income Discrepancy Report Summary** shows the list of households with income discrepancy between the Resident-provided SSA benefits information contained on Form HUD-50059 and the SSA benefits amount collected by EIV from SSA.
- **No Income Report** provides a list of the Residents, whose identity was verified by SSA based on the SSN/Last Name/ Date of Birth combination but did not or has never received SS/SSI benefits.
- **New Hires Report** provides a list of households where at least one member has a New Hire record for the selected month or period and members in such households.

### **VERIFICATION Reports Available through EIV:**

- **Existing Resident Search** shows basic information on the households (in PIH and MF) wherein a person may be potentially receiving subsidy.
- **Multiple Subsidy Report** shows a list of Residents who receive assistance on multiple contracts/properties in Multifamily Housing Programs or in both PIH and Multifamily Programs
- **Identity Verification Report** shows statistics on number of households and the number of households that have been verified by SSA, which failed SSA verification and failed EIV pre-screening.
- **Deceased Residents Report** shows the basic information of the households/ household members for the households with deceased household members.

### **Discrepancy Report**

1. Review the discrepancies with the income documentation on file. Some reasons for discrepancies:
  - The data in EIV is older than the third party documentation obtained during the certification process.
  - The data in EIV is for the past year and we use projected income.
  - An employer may have entered the wrong SSN when reporting a new hire.
  - The resident may have recently changed or lost their job.

2. Research the discrepancy accordingly and document the reason for the discrepancy in the file. This may mean contacting the resident or an employer.

### **Income Report Summary**

Review the report and compare it with the income information the Resident provided you in the interview.

**VERY IMPORTANT: Never file EIV information or use EIV information for Tax Credit or any other non-HUD files!**

#### **For employed residents:**

- If there are big differences (i.e., different employer or salary information), contact the Resident to discuss.
- If the information matches or is close to the information the Resident provided (less than \$1200 difference), there is no reason to research further.
- Review the information with the Resident. If the Resident agrees that the EIV data is acceptable, the EIV report, along with 8-10 weeks' worth of paycheck stubs, is sufficient documentation for the file and no 3<sup>rd</sup> party verification is required.

#### **For Social Security/SSI Benefits:**

- If the resident agrees with the EIV information, the report and benefit letter is sufficient documentation for 3<sup>rd</sup> party verification.

#### **Requirements:**

***HUD requires all sites to have the EIV Coordinator which is HANO and User Access Authorization Forms available for review.***

- Provide all applicants/residents with the brochure, "EIV and You".
- All staff that has access to EIV information MUST fill out the EIV Rules of Behavior form. This only has to be done once and kept on file. This form is valid until HUD issues a revision.
- Any HANO executive, HUD employee, or Auditor must fill out and show the EIV Rules of Behavior form.
- All employees who have access to EIV information must have annual EIV training. This training can be done by Supervisory staff but must be documented. Local housing associations and HUD training consultants offer this training as well.
- If your community is **owned by HANO**, HANO must sign an EIV Access Owner Authorization form. If the community is owned by private management company, the owner must sign EIV Access Owner Authorization form.
- If your community is **owned by HANO**, but not managed by HANO, HANO as the Owner sign the Managed Community EIV Access Authorization form.
- HUD requires that specific **security requirements** are followed with both electronic and hard copy EIV data.

## **Security Awareness and Privacy Act Requirements Policy**

### Security Awareness and Privacy Act Requirements

All Privacy Act related materials and data, e.g. EIV, third-party income, medical and other documents, collected during the certification process must be protected to ensure that it is only used for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. Privacy of data and data security for computer systems are covered by a variety of Federal laws and regulations, government bulletins, and other guiding documents.

HUD uses the term Upfront Income Verification (UIV) to describe the third-party information we collect to perform resident certifications. HANO and its Agents collect this information from Government systems (EIV), prior landlords, employers, physicians, etc. NCR is required to protect the confidentiality of all UIV information collected to determine program eligibility and rental assistance level regardless of its format – paper, email or computer file.

The practices and controls used by HUD and program administrators to secure UIV data that is contained in the EIV system may be grouped into three categorized safeguards:

- Administrative
- Physical
- Technical

### **Administrative Safeguards**

Any information obtained to verify eligibility or income must be handled in accordance with the Privacy Act. The disclosure of this information for any other purpose must be prevented.

Ensure that access rights, roles and responsibilities of site staff are appropriately assigned. Unless a member of the office staff is involved in the collection or verification of UIV data, they should not have access to computer files, printouts, mail and Resident files containing UIV data.

This data should be handled in such a manner that it does not become misplaced or available to unauthorized personnel. To avoid inadvertent disclosures, UIV information should be kept separate from other information and files.

Site staff must assure that each member of the household who is 18 years of age or older has signed the HUD 9886 Verification and Consent forms along with necessary individual verifications at the initial certification and at each recertification. The original HUD 9886 must be kept in the applicant/resident file; a copy of the signed individual verification forms must be kept in the applicant/resident file. The executed consent form (Form HUD-9886) will remain effective until the family is denied assistance, the assistance is terminated, or if the family provides written notification to the PHA to revoke consent.

By signing these forms, the Resident authorizes HUD, HANO and its Agents to obtain

and verify income and compensation information from various sources including current and former employers, State agencies, Social Security Administration (SSA) and Health and Human Services (HHS).

Hard copies of UIV documents must be controlled; returning copies to files after inputting them into the computer system is the best practice. Do not leave UIV hard copies unattended.

All UIV data should be destroyed as prescribed by HANO's File Retention Policy and Procedure. All UIV originals and any documents created in association with their use should be shredded to prevent the reconstruction of the contents. It is essential that the methods used to dispose of records are thorough. Hand tearing, recycling or burying information in a landfill is an unacceptable method of disposal of UIV data.

In addition to reviewing this Policy and Procedure, HANO and its Agents may also provide online Security Awareness Training. All site staff that use UIV data are required to complete the Security Awareness training annually.

### **Physical Safeguards**

At a minimum, the UIV data must be physically secured in a locked office space with limited points of entry and means of entry. A combination of methods may be used, i.e., a locked metal file cabinet within a locked room. Access to the areas where UIV data is maintained should be limited during regular working hours. This limited access may be accomplished by the use of restricted areas, a secured room, or locked office space. The restricted areas should be clearly identified by the use of prominently posted signs. For instance, a "For Authorized Personnel Only" or "Warning: Restricted Area" sign may be posted on the door or in the area.

When working with a resident file or other pieces of UIV data, lock the data up when you leave your desk or leave for the day. You can use a locked drawer, overhead bin or a storage cabinet – any place that can be locked securely.

Designated staff should establish and maintain a key control log to track the inventory of keys available, the numbers of keys issued and to whom the keys are issued. All employees who have been issued keys to secured rooms or locked spaces should complete a form acknowledging the receipt of the key. Combination locks should be changed or reset regularly, including when a staff member's employment is terminated.

Designated staff should establish and maintain the list of users who can access the restricted area.

The list should indicate the type of access that the user may have to the restricted area; it should indicate which users, such as contractors, maintenance and cleaning staff, must be escorted when entering the restricted area.

The restricted area must be cleaned only during regular office hours or in the presence of an employee with authorized access

### **Technical Safeguards**

Computer printouts must be retrieved as soon as they are generated so that UIV data is not left lying unattended in printers where unauthorized users may access them. Fax

machines and printers should be placed in an area that is inaccessible to unauthorized users so printouts can be retrieved only by authorized users.

Do not have UIV data displayed on your computer screens when unauthorized users may view it. A computer should never be left unattended with UIV data displayed on the screen. When leaving the computer for any reason, close all open programs.

It is HUD requirement that User Access to EIV must be made by a unique login and password, Staff must refrain from leaving written passwords in the workstation area and avoid creating a personal password that can be easily associated with you.

**VERY IMPORTANT: Never file EIV information or use EIV information for Tax Credit or any other non-HUD files!**

There may be substantial differences between the information provided by the family and EIV-generated information. No adverse action will be taken against a family until HANO, or its Agents has verified the EIV information via third party and the family has been granted an opportunity to contest any adverse findings through HANO's Grievance Procedure processes.

**Definition of Substantial Difference**

Enterprise Income Verification, EIV, information is used differently depending upon whether there is a substantial difference between information provided by the family and the EIV income information received. HANO or its Agents will allow a maximum of \$200 per month as the threshold for a substantial difference.

**When No Substantial Difference Exists**

If EIV information does not differ substantially from family information, the EIV documentation may serve as third-party written verification. However, EIV income information should not be utilized to project the family's future earnings. Resident provided documents (consecutive current check stubs, award letters, etc.) to calculate the family income. Documents provided by the Resident should be evaluated to ensure its authenticity to prevent fraud.

Third party verification is required when staff determines that the documents provided are not authentic, the resident and/or member is not providing adequate information or withholding information, etc. Staff is also required to utilize EIV's New Hire report to determine if a member has recently obtained employment.

**When a Substantial Difference Exists**

Third party verification is required when there is a substantial difference between the information provided by the EIV source and the family reported information, or the family disputes the information provided by EIV.

**B. TYPES OF VERIFICATION**

HANO or its Agents verify income information through the five methods acceptable to HUD in the following order:

1. **Enterprise Income Verification (EIV)** whenever available.
2. **Forms from other Public Assisted Programs:** HANO may determine the family's income from other means-tested forms of federal public assistance programs or agencies made within the previous 12-month period. These forms must state the family size, must be for the entire family (i.e., the family members listed in the documentation must match the family composition in the assisted unit) and must state the amount of the family's annual income.
3. **Third-Party Written:** First choice is a written third-party verification to substantiate claims made by an applicant or resident.
4. **Third-Party Oral:** Telephone verifications may also be used.
  - a. **Review of Documents:** Review documents, when relevant, to substantiate the claim of an applicant or resident.
  - b. **Family Certification:** A family self-certification will be accepted when no other form of verification is available.

If third party verification is not received directly from the source, HANO or its Agents staff will document the file as to why third-party verification was impossible to obtain and another method was used, such as reviewing documents families provide. (See Chapter on Applying for Admission).

For applicants, verifications may not be more than 120 days old at the time of a unit offer. For Residents, they are valid for 120 days from date of receipt.

### **Third-Party Written Verification**

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail. The family will be required to sign an authorization for the information source to release the specified information. Verifications received electronically directly from the source are considered third party written verifications.

### **Third-Party Oral Verification**

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete a Certification of Document Viewed or Person Contacted form, noting with whom they spoke, the date of the conversation, and the facts provided. If oral third-party verification is not available, HANO or its Agents will compare the information to any documents provided by the Family.

If provided by telephone, HANO or its Agents must originate the call.

### **Verification through forms of Other Federal Public Assistance**

Means-tested forms of federal public assistance include:

- The Temporary Assistance for Needy Families block grant (42 U.S.C. 601, et seq.)
- Medicaid (42 U.S.C. 1396 et seq.) • The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 et seq.)
- The Earned Income Tax Credit (26 U.S.C. 32)
- The Low-Income Housing Tax Credit (26 U.S.C. 42)
- The Special Supplemental Nutrition for Woman, Infants, and Children (42 U.S.C. 1786)
- Supplemental Security Income (42 U.S.C. 1381 et seq.)

- Other programs administered by the Secretary of HUD
- Other means-tested forms of Federal public assistance for which HUD has established a memorandum of understanding.
- Other Federal benefit determinations made by other means-tested federal programs that the HUD Secretary determines to have comparable reliability and announces through a Federal Register notice.

### **Review of Documents**

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within 30 calendar days, HANO or its Agents will utilize documents provided by the family as the primary source, if the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document(s) will complete a Certification of Document Viewed or Person Contacted form.

HANO or its Agents will accept the following documents from the family:

- Printed wage stubs
- An IRS tax return or transcript Computer printouts from the employer
- Signed letters (provided that the information is notarized or confirmed by telephone)
- Other documents noted in this Chapter as acceptable verification
- Faxed documents
- Photocopies
- If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, HANO or its Agents will utilize the third-party verification.

### **Self-Certification**

When information cannot be verified by a third party or by viewing the documents, family members will be required to complete a self-certification form attesting to the accuracy of the information they are provided. This certifies that a family member(s) does/or does not receive a particular type of income or benefit and must be signed by the family member and head of household whose information or status is being verified. All self-certifications must be signed in the presents of a HANO representative, its Agents or notary public.

## **C. RELEASE OF INFORMATION**

All adults, and head of household and spouse regardless of age, are required to sign HUD form 9886 the Authorization for Release of Information/Privacy Act Notice. In addition, the family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886.



Each member requested to consent to the release of information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of tenancy because it is a family obligation under tenancy to supply any information requested by HANO or HUD.

All Signature Communities with PHA/LIHTC units remember that tax credit rules do not negate or supersede HUD Handbook as it relates to the Authorization for Release of Information/Privacy Act Notice, 9886.

#### **D. ITEMS TO BE VERIFIED**

- All income not specifically excluded by the regulations.
- Zero-income status of household.
- Zero-income applicants and residents will be required to complete the required document at each certification/recertification interview will have to be compliant with the Community Service and Self-Sufficiency requirement unless exempted.
- Full-time student status including High School students who are 18 or over.
- Current assets including assets disposed of for less than fair market value in preceding two years.
- Childcare expense where it allows an adult family member to be employed, seek employment or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus that allow an adult family member to be employed.

#### **Legal Identity**

- U.S. citizenship/eligible immigrant status.
- Social Security Numbers for all family members 6 years of age or older or certification that a family member does not have a Social Security Number.
- Preference status, based upon HANO local preferences.
- Marital status when needed for head or spouse definition.
- Disability for determination of preferences, allowances or deductions.

#### **E. VERIFICATION OF INCOME**

This section defines the methods HANO, or its Agents will use to verify various types of income. Third party verification is required for all members of the applicant's household since EIV is not applicable to obtain income information for applicants or their family members

During Annual or Interim recertifications, the resident will be required to complete Continued Occupancy form or Tax Credit Application upon with information provided will be verified via EIV. Third party verification is required when discrepancies are present. See EIV section above.

### **Employment Income**

Verification forms request the employer to specify dates of employment; amount and frequency of pay; date of the last pay increase; likelihood of change of employment status and effective date of any known salary increase during the next 12 months; year to date earnings; and estimated income from overtime, tips, and bonus pay expected during next twelve (12) months.

Acceptable methods of verification include:

1. Employment verification form completed by the employer.
2. Check stubs (6) or earning statements that indicate the employee's gross pay, frequency of pay or year to date earnings.
3. W-2 forms plus income tax return forms.
4. Self-certification signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and residents may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.

Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

### **Social Security, Pensions, Supplemental Security Income (SSI), Disability Income**

Acceptable methods of verification include:

1. Benefit verification form completed by agency providing the benefits.
2. Computer report electronically obtained or in hard copy.
3. Award or benefit notification letters prepared and signed by the providing agency.
4. Bank statements for direct deposits

### **Unemployment Compensation**

Acceptable methods of verification include:

1. Computer report electronically obtained or in hard copy, stating payment dates and amounts
2. Verification form completed by the unemployment compensation agency.
3. Payment Stubs

## **Welfare Payments or General Assistance**

Acceptable methods of verification include:

1. Verification form completed by payment provider.
2. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
3. Computer-generated Notice of Action.
4. Computer-generated list of recipients from Welfare Department.

## **Alimony or Child Support Payments**

Acceptable methods of verification include:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
2. Copy of latest check and/or payment stubs from Court Trustee. HANO or its Agents must record the date, amount, and number of the check.
3. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.
4. If payments are irregular, the family must provide:

A copy of the separation or settlement agreement or a divorce decree stating the amount and type of support and payment schedules.

A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.

A welfare Notice of Action showing amounts received by the welfare agency for child support.

## **Net Income from a Business**

In order to verify the net income from a business, HANO or its Agents will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

- i. IRS Form 1040, including:
- ii. Schedule C (Small Business)
- iii. Schedule E (Rental Community Income)

#### iv. Schedule F (Farm Income)

2. If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.
3. Audited or un-audited financial statement(s) of the business.
4. Credit report or loan application.
5. Documents such as manifests, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
6. Family's self-certification/notarized statement as to net income realized from the business during previous years.

#### **Child Care Business**

If an applicant/resident is operating a licensed day care business with approval from HANO or its Agents, income will be verified as with any other business.

If the family has filed a tax return, the family will be required to provide it.

If childcare services were terminated, third-party verification will be sent to the parent whose child was cared for.

HANO or its Agents will conduct interim reevaluations every 90 days and require the resident to provide a log with the information about customers and income.

#### **Recurring Gifts**

The family must furnish a notarized statement that contains the following information:

The person who provides the gifts;

The value of the gifts;

The regularity (dates) of the gifts;

The purpose of the gifts

#### **Zero-Income Status**

Families claiming to have no income will be required to complete the Zero Income Questionnaire on a monthly basis., provided in the HUD's Continued Occupancy Guidebook

HANO, or its Agents will ensure that the residents understand their obligations to comply with the Community Service and Self-sufficiency requirement and the timeline allotted to become compliant with the policy.

### **Full-Time Student Status**

Only the first \$480 of the earned income of full-time students 18 years of age or older, other than head or spouse, will be counted towards family income.

Verification of full-time student status includes:

Written verification from the registrar's office or other school official.

### **Verification of Income Exclusions**

HANO or its Agents will attempt third-party verification of income exclusions wherever possible. When third-party verification of income exclusions are not possible or practical, a review of documents or notarized/ self-certification will be obtained.

Exclusions from income include the following:

- Expenditures for business expansion.
- Amortization of capital indebtedness as deductions in determining net income of a business.
- Withdrawals of cash or assets from a professional or business operation if the withdrawal is a reimbursement for cash or assets invested in the operation by the family.
- Allowance for business asset depreciation, based on straight-line depreciation, as provided in the Internal Revenue Service (IRS) regulations.
- Income from employment of children or foster children under 18 years old.
- Earnings in excess of \$480 for each full-time student 18 years old or older (excluding head or household and spouse).
- Earned income disallowance.
- Amounts earned by temporary Census employees; terms of employment may not exceed 180 days for the purposes of the exclusion.
- Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by the resident for performing a service for HANO, on a part-time basis, that enhances the quality of life in the communities.
- Stipends to reimburse residents for expenses for serving as members of HANO's governing board or commission.
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- The full amount of military pay of any family member other than the head and spouse. If other family members are away from home in the military, HANO or its Agents may remove their name from the lease and exclude their income.
- Other military pay specifically excluded by law (e.g. Desert Storm active duty).
- Income of a live-in aide.

- Earnings and benefits from employment training programs funded by HUD.
- Reimbursement for out-of-pocket expenses while attending a public assisted training program.
- Incremental earnings and benefits from participation in qualifying state and local employment programs.
- Payments to volunteers under the Domestic Volunteer Services Act.
- Payments received under programs funded in whole or in part under the Workforce Investment Act (WIA) (formerly known as the Job Training Partnership Act (JTPA)).
- Earnings and benefits to any family member from an employment training and supportive services program during the exclusion period.
- The exclusion is applicable only if the family was admitted to the qualifying program prior to October 1, 1999.
- 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.
- Food stamps.
- Annual Imputed Welfare Income if the family was not an assisted resident at the time of sanction.
- Non-recurrent, short-term benefits under TANF assistance that:
  - i. Are designed to deal with a specific crisis situation or episode of need;
  - ii. Are not intended to meet recurrent or ongoing needs; and
  - iii. Will not extend beyond four months.
- Purposes of SSI eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- Deferred periodic amounts from Social Security benefits that the family member received in a lump sum amount or in prospective monthly amounts.
- Childcare arranged or provided under the Child Care and Development Block Grant Act.
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
- Payments received under the Alaska Native Claims Settlement Act.
- Income derived from certain sub-marginal land or the United States that is held in trust for certain Indian tribes.
- Income derived from the disposition of funds of the Grand River Band of Ottawa Indians.
- The first \$2000 of per capita shares from judgment funds awarded by Indian Claims.
- Payments received under the Maine Indian Claims Settlement Act of 1980.
- Payments received by Indian Claims Commission to the Confederate Tribes and Bands of the Yakima Indian Nation, The Apache Tribe of the Mescalero Reservation.
- The first \$2000 of income received by individual Indians derived from interests or trust or restricted land.
- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the resident family, who are unable to live alone).
- Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or community losses.
- Full amount of student financial assistance and paid directly to the student or to the educational institution.

- Temporary, nonrecurring or sporadic income (including gifts).
- 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.
- Adoption assistance payments in excess of \$480 per adopted child.
- Refunds or rebates under state or local law for community taxes paid on dwelling unit.
- Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply.
- Payments or allowances under DHHS' low-income home energy assistance program (LIHEAP).
- Federal 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 program.
- Payments received from programs funded under Title V of the Older Americans Act of 1965.
- Payments received on or after January 1, 1989, from the Agents Orange Settlement Fund or any fund established pursuant to the settlement in the In Re Agents Orange product liability litigation.
- Earned Income Tax Credit refund tax payments.
- Any allowance paid under provisions of 38 U.S.C. 1805 to a child suffering from spinal bifida who is a child of a Vietnam Veteran.
- Any amount of crime victim compensation that the applicant (under the Victims Crime Act) receives through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims Crime Act because of the commission of a crime against the applicant.

## **F. INCOME FROM ASSETS**

Acceptable methods of verification include:

### **Savings Account Interest Income and Dividends**

Will be verified by:

1. Account statements, passbooks, certificates of deposit, or HANO or its Agents verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
3. IRS Form 1099 from the financial institution, if HANO or its Agents must adjust the information to project earnings expected for the next 12 months.

## **Interest Income from Mortgages or Similar Arrangements**

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

## **Net Rental Income from property owned by Family**

IRS Form 1040 with Schedule E (Rental Income).

1. Copies of latest rent receipts, leases, or other documentation of rent amounts.
2. Documentation of allowable operating expenses of the community: tax statements, insurance invoices, and bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
3. Lessee's written statement verifying rent payments to the family and family's notarized statement as to net income realized.

## **G. VERIFICATION OF ASSETS**

### **Family Assets**

HANO or its Agents will require the necessary information to determine the current cash value, (the net amount the family would receive if the asset were converted to cash).

Verification forms, letters, or documents from a financial institution or broker.

Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

Quotes from a stockbroker or realty Agents as to net amount family would receive if they liquidated securities or real estate.

Real estate tax statements if the approximate current market value can be deduced from assessment.

Financial statements for business assets.

Copies of closing documents showing the selling price and the distribution of the sales proceeds.

Appraisals of personal community held as an investment.

Family's Notarized Statement describing assets or cash held at the family's home or in safe deposit boxes.



**Assets Disposed of for Less than Fair Market Value (FMV)** during two years preceding effective date of certification or recertification.

For all Certifications and Recertifications, HANO or its Agents will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, verification or certification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third-party verification will be obtained wherever possible.

## **H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME**

### **Child Care Expenses**

Written verification from the person who receives the payments is required. If the childcare provider is an individual, he/she must provide a statement of the amount they are charging the family for their services.

Verifications must specify the childcare provider's name, address, telephone number, the names of the children cared for, the number and schedule of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

### **Medical and Disability Assistance Expenses**

Families who claim medical expenses or expenses to assist a person(s) with disabilities will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

For attendant care:

A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

Attendant has written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. HANO or its Agents may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.

HANO or its Agents will use mileage at the IRS's rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

### **Assistance to Persons with Disabilities**

In All Cases:

Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member or disabled person to be employed will be required.

Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

## **I. VERIFYING NON-FINANCIAL FACTORS**

### **Verification of Legal Identity**

In order to prevent program abuse, HANO or its Agents will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

Certificate of Birth, naturalization papers

Church issued baptismal certificate

Current, valid Driver's license

Department of Motor Vehicles Identification Card

U.S. military discharge (DD 214)

U.S. passport

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

Certificate of Birth

School records

Adoption papers

Health and Human Services ID

### **Verification of Marital Status**

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate.

### **Split Households: Domestic Violence**

Verification of domestic violence when assessing applicant split households includes:

Shelter for battered persons, Police reports, District Attorney's office, victim Self-

Certification form (HUD FORM 5382 or its successors).

### **Verification of Permanent Absence of Adult Member**

If an adult member who was formerly a member of the household is reported permanently absent by the family, HANO or its Agents will consider any of the following as verification:

Husband or wife institutes divorce action.

Order of protection/restraining order obtained by one family member against another.

Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.

Statements from other agencies such as social services that the adult family member is no longer living at that location.

If no other proof can be provided, HANO or its Agents will accept a Notarized Statement from the family or a Family self-certification.

If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

### **Verification of Change in Family Composition**

HANO or its Agents may verify changes in family composition (either reported or unreported) through letters, utility records, inspections, landlords, credit data, school or DMV records, and other sources.

### **Verification of Disability**

Verification of disability must be receipt of SSI or SSA disability payments under 42 U.S.C. Section 423(d) (1) (A) of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(8) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehabilitation specialist, or licensed social worker, using the HUD language as the verification format.

### **Verification of Citizenship/Eligible Immigrant Status**

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Family members must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the hearing is pending.

Citizens or Nationals of the United States is required to sign a declaration under penalty of perjury.

Eligible Immigrants who are 62 or over are required to sign a declaration of eligible immigration status and provide proof of age.

Noncitizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents, which are copied front and back and returned to the family. HANO or its Agents verify the status through the INS SAVE system. If this primary verification fails to verify status, HANO or its Agents must request within ten days that the INS conduct a manual search.

Family members who do not claim to be citizens or eligible immigrants must be listed on a statement of non-contending members signed by the head of household or spouse.

Noncitizens students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of non-contending members.

Failure to Provide. If an applicant or resident family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Extensions of Time to Provide Documents. HANO or its Agents will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration. The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)

Alien Registration Receipt Card (I-151)

Arrival-Departure Record (I-94)

Temporary Resident Card (I-688)

Employment Authorization Card (I-688B)

Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

HANO or its Agents will verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the waiting list.

## **Verification of Social Security Numbers**

Social security numbers must be provided as a condition of eligibility for all family members six and over if they have been issued a number.

Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration.

If a family member cannot produce a Social Security Card, only the documents listed below showing his/her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

A valid driver's license

Identification card issued by a Federal, State or local agency

Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)

Benefit award letters from government agencies

Retirement benefit letter

Verification of benefits or SSN from Social Security Administration

New family members ages six and older will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to HANO or its Agents.

If an applicant or Resident is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or Resident must sign a certification to that effect provided by HANO or its Agents. The applicant/Resident or family member will have an additional 60 days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's tenancy will be terminated.

In the case of an individual at least 62 years of age, HANO or its Agents may grant an extension for an additional 60 days up to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's tenancy will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

## **Medical Need for Larger Unit**

A written certification that a larger unit is necessary must be obtained from a licensed physician or other health professional.

## **J. VERIFICATION OF SUITABILITY FOR ADMISSION**

Sources to be used to determine suitability include but are not limited to:

Criminal History Reports for all adult member in the household.

Criminal history reports will be useable as a valid verification for no longer than six (6) months from date of receipt.

Prior landlord references for previous 6 months

Physicians, social workers, and other health professionals

HANO, Other PHA's or Private Landlord (to whom the family may owe debt)

Credit checks

(See chapter on Eligibility).

### **Housekeeping**

HANO or its Agents will obtain references from prior landlords for the previous 12 months to determine acceptable housekeeping standards. Upon acceptance of a unit, Applicants will be required to attend pre-occupancy classes as a condition of admission.

## Chapter 9

### TRANSFER POLICY

#### INTRODUCTION

This chapter explains HANO's transfer policy, based on HUD regulations, HUD guidance, and agency policy decisions related to the following types of transfers:

**Emergency Transfers.** This part describes emergency transfers, emergency transfer procedures, and payment of transfer costs.

**Mandatory Transfers.** This part describes types of transfers that may be required by the PHA, notice requirements, and payment of transfer costs.

**Transfers Requested by Residents.** This part describes types of transfers that may be requested by residents, eligibility requirements, security deposits, payment of transfer costs, and handling of transfer requests.

Except in emergencies and mandatory, transfers will not be permitted under the following circumstances:

- (1) Delinquent in rent (more than 4 delinquent payments in the last two years. If a repayment agreement for any monies owed is ex, it will transfer to the next unit until satisfied);
- (2) Not in good standing with HANO or its Agents due to more than four total violations of any section of the resident obligations section of the lease:
- (3) Failure to report income in a timely matter which resulted in retro-rent charge in the last two years; and
- (4) Poor Housing-keeping: more than two unsatisfactory violations cited in any area in the last two years.

*In addition, before deciding to allow or deny tenant transfers due to criminal convictions within two years, these tenants shall be given an individualized review based on accurate information, including notice and opportunity to be heard. Individual circumstances and the potential impact on safety of other residents should be considered in the decision to determine if the tenant has been involved in drug related or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees of the housing authority."*

#### A. GENERAL STATEMENT

It is the policy of the Housing Authority of New Orleans to require or permit resident transfers, within and/or between its public housing communities for the following reasons:



Emergency,  
Mandatory,  
Reasonable Accommodations,  
Over-housed or Under-housed,  
Non-threatening Medical (verified by physician), and  
Resident Requested Transfer  
Exceptional Circumstances

## **B. EMERGENCY TRANSFER**

Emergency transfers are transfers which are implemented when unit or building conditions pose an immediate threat to resident's life, health, or safety as determined by HANO, its Agents or a governing body with jurisdiction over such matters, or a federal, state or local court.

Examples include:

- Medical problems of a life-threatening nature:
- The resident's unit has been damaged by fire, flood or other causes to such a degree that the unit is not habitable, provided that, although the damage was a result of carelessness or negligence of the resident or a member of the resident's household, the resident has, in writing, accepted the responsibility for such damage and has agreed to make restitution to HANO or its Agents for the expense of repairing such damage up to a ceiling cost of \$5000.
- To abate dangerous and/or substandard living conditions,
- To abate emergency life-threatening living conditions caused by third-party criminal activity.
- Emergency transfers under the VAWA policy (See Chapter 13)

The following procedures will govern emergency transfers:

1. HANO or its Agents is not required to give minimum notice of an emergency transfer but will make every effort to provide as much notice as permitted under the circumstances.
2. HANO or its Agents cannot guarantee a desired location for emergency transfers, but an attempt will be made to meet the resident's location preference when possible.
3. HANO will review and comply with occupancy standards.
4. Refusal to comply with an emergency transfer may be grounds for lease termination.
5. Upon request by the resident, emergency transfers may be used to alleviate verified medical problems of a life-threatening nature or when household members need

protection from attack by a criminal element in a particular community or neighborhood based on a threat assessment by a law enforcement agency (example: witness protection program, domestic violence). Supporting documentation for a special circumstance transfer includes but is not limited to a statement from a prosecutor, victim service provider, or a social worker.

The transferring of families is a very costly procedure, both to HANO, its Agents and to the families. However, it is the policy of HANO to permit a resident to transfer within or between housing communities, when it is necessary to comply with occupancy standards, or when it will help accomplish the Affirmative Housing goals of HANO. The transfer policy will be carried out in a manner that does not violate fair housing.

For purposes of this transfer policy for the PHA units the "losing community" refers to the unit from which the family is moving and the "gaining community" refers to the unit to which the family is transferring. This is not applicable to PHA/LIHTC units in a Signature Community.

### **C. MANDATORY TRANSFERS**

Mandatory transfers are transfers required by HANO or its Agents or purposes such as closing a building; implementing redevelopment or building rehabilitation activities; achieving vacancy consolidation; and, adjusting for over-housed, under-housed, or over-income living conditions.

HANO or its Agents will provide written notice, a minimum of 30 days, in advance of the transfer date for mandatory transfers. For transfers subject to the Uniform Relocation Act (URA), HANO or its Agents will provide notice in accordance with URA standards.

Refusal of a mandatory transfer can be grounds for lease termination.

### **Demolition, Disposition, Revitalizations, or Rehabilitation Transfers**

HANO may have to transfer residents to permit the PHA to demolish, sell or do major capital or rehabilitation work at a building site.

The PHA will relocate a family when the unit or site in which the family lives is undergoing major rehabilitation that requires the unit to be vacant, or the unit is being disposed of or demolished. The PHA's relocation plan may or may not require transferring affected families to other available public housing units. If the relocation plan calls for transferring public housing families to other public housing units, affected families will be placed on the transfer list. Residents who are being relocated back to public housing are subject to the same screening criteria process as a public housing applicant.

In some cases of revitalization or rehabilitation, the family may be offered a temporary relocation if allowed under Relocation Act provisions, and may be allowed to return to their unit, depending on contractual and legal obligations, once revitalization or

rehabilitation is complete.

Please note that families may need to be accommodated at multiple sites as sufficient vacant units may not be available at one property. Transfers of this magnitude are generally centralized and handled by HANO's Client Services department.

### **Reasonable Accommodations**

These transfers are made when a resident needs to move to a different unit as an accommodation to a resident's documented disability. This kind of transfer may be requested for a variety of reasons, including but not limited to: the resident needs to be moved to a ground floor unit because his disability prevents him from climbing stairs; the resident needs a unit with certain physical features and they cannot be provided in his current unit without undue financial and administrative burden to HANO or its Agents.

### **Over Housed or Under Housed**

HANO may require a resident to move when a reexamination indicates that there has been a change in family composition, and the family is either under-housed or over-housed, according to HUD [24CFR960.257 (a) (4)]. On some occasions, a resident may initially be placed in an inappropriately sized unit at lease up, where the family is over-housed, to prevent vacancies.

HANO or its Agents will transfer a family when the family size has changed, and the family is too large (over-housed) or too small (under-housed) for the occupied unit.

For purposes of the transfer policy, under- housed and over-housed are defined as the following:

**Under-Housed:** the number of household members exceeds the maximum number of people allowed for the unit size in which the family resides, according to the chart in Chapter 5 of this ACOP.

**Over-housed:** the family no longer qualifies for the bedroom size in which they are living based on the occupancy standards and guidelines for determining bedroom size chart as described in Chapter 5.

HANO or its Agents may also transfer a family who was initially placed in a unit in which the family was over-housed to a unit of an appropriate size based on the occupancy standards, when it is determined there is a need for a transfer.

HANO or its Agents may elect not to transfer an over-housed family in order to prevent vacancies.

A family that is required to move because of family size will be advised that the transfer is necessary, and that the family has been placed on the transfer list.

**The resident must bear all the costs of the transfer.**

## **Over Income**

Over-Income, income exceeding 140% of AMI, Internal Revenue Code Section 42(g) (2) (D) (ii) states that if the income of the occupants of a low income unit increases above 140% of the income limitation applicable, the unit shall cease to be treated as a low income unit if ANY UNIT in the building (of comparable size or smaller than such unit) is occupied by a new resident whose income exceeds such income limitation. In this case, when applicable, the resident will be asked to transfer.

## **D. TRANSFERS REQUESTED BY RESIDENT**

Residents requesting a transfer to another unit or community will be required to submit a Request for Transfer form. The form must include the reason a transfer is being requested. A transfer fee in the amount of \$250 will apply.

HANO and its Agents will evaluate the request and interview the resident(s) to determine if a transfer is justified.

If the interview reveals that there is a problem at the family's present site, such as neighbor disputes, which are not criminal but interfere with the peaceful enjoyment of the unit or common areas, the manager will attempt to address the problem. If the problem is solved, the request for transfer will be denied.

Must provide police report if any disputes happen onsite.

## **Processing the Request to Transfer Form**

The Request for Transfer form will be transmitted to the gaining community for consideration after the Site Manager at the losing community and HANO's Director of Asset Management signs the form denoting approval. The Leasing Office will maintain a copy of the Request for Transfer form and send the requesting family a copy for their records.

The approved request for transfer form will be kept in a file arranged in chronological order and on the computer by bedroom size. If the request is approved, the family will be sent a copy of the approved transfer form.

If the request is denied, the family will be sent a copy of the transfer form stating the reason for denial.

When the transfer has been requested by the resident, the refusal of that offer without good cause may result in the removal of the family from the transfer list. In such cases, the family must wait one year to reapply for another transfer.

Examples of good cause to refuse unit offer include, but not limited to, the following:

The family demonstrates to HANO's satisfaction, that accepting the offer will:

1. Require an adult household member to quit a job, drop out of an educational institution or job training program, or take a child out of daycare per an educational program for children with disabilities.

2. Place a family member's life, health or safety at jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, and documentation of domestic violence. Reasons offered must be specific to the family. Refusal due to location alone do not qualify for this good cause exemption.
3. A health professional verifies temporary hospitalization or recovery from illness of the head of household, listed family members on current lease or live in aide necessary to the care of the head of household.
4. The unit is unfitting for the applicant's disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30-day notice to move.

Residents who wish to dispute for good causes are permitted to use the approved grievance procedures. Examples of good cause are listed in Chapter 4, Resident Selection and Assignment Plan, but are not only limited to those listed.

### **Transfers due to fear of violence**

If there is a reasonable fear of direct violence against the resident, HANO or its Agents may permit a transfer. These transferred are handled on a case-by-case basis. Such transfer requests may include a fear of retaliation for witnessing an incident or providing testimony or evidence in an eviction or criminal proceeding, or fear of being the victim of a hate crime.

1. To the extent possible and subject to any rights of return, HANO or its Agents will make every effort to allow residents in good standing to select the communities to which to transfer when implementing mandatory transfers for redevelopment or rehabilitation of units.

The conditions for good standing are

- (a) no repayment agreement or unpaid balance at any time in the past year;
- (b) good credit history with utility companies (when applicable);
- (c) no criminal activity or history of disturbances that resulted in Lease violations;
- and
- (d) a good housekeeping record, as indicated by housekeeping inspection reports in the resident's file.

### **Non-threatening medical transfers**

When the transfer request is due to medical reasons, however, they are not determined life threatening.

## **E. PRIORITY OF TRANSFERS**

Transfers are prioritized in the following manner:

1. Emergency Transfers takes priority over all other transfer requests.
2. Mandatory
3. Reasonable Accommodations

4. Over housed or Under housed
5. Non-threatening Medical (verified by physician), and
6. Over-Income, income exceeding 140% of AMI if appropriate size unit is available to transfer the resident.
7. Resident Requested Transfer

#### **F. ADVERSE ACTION RELATED TO TRANSFERS [24 CFR 966.4(e)(8)(i)]**

A PHA required transfer is an adverse action. As an adverse action, the transfer is subject to the requirements regarding notices of adverse actions. If the family requests a grievance hearing within the required timeframe, the PHA may not take action on the transfer until the conclusion of the grievance process.

#### **G. COST OF TRANSFER**

The PHA will bear the reasonable costs of transfers when the transfer is due to uninhabitability and reasonable accommodations, through no fault of the resident, or when the transfer is due to the need of HANO. Residents will be required to pay all costs related to resident request transfers; in addition to a transfer fee.

The reasonable costs of transfers include the cost of packing, moving, and unloading.

The PHA will establish a moving allowance based on the typical costs in the community of packing, moving, and unloading. To establish typical costs, the PHA will collect information from companies in the community that provide these services.

The PHA will reimburse the family for eligible out-of-pocket moving expenses up to the PHA's established moving allowance. Alternatively, the PHA may also contract with a moving company to coordinate the family's move.

#### **H. SECURITY DEPOSITS**

The security deposit will be transferred to the unit in which the family is transferring.

The security deposit will be transferred if the transfer takes place on the same property. If the transfer is between to different sites, your deposit will be refunded once any outstanding debts are satisfied.

#### **I. PROCESSING TRANSFERS**

Transfers will be processed as follows:

The resident's records will show a continuous residence in public housing in one community or the other, but not in both projects at the same time. Both losing and gaining communities involved must have a definite agreement as to when the losing community will move the resident out and the gaining community will move the resident in.

For both intra/inter community transfers, HANO and its Agents will give the resident at least a 30-day notice of when the new unit is projected to be ready for occupancy. The

resident will be kept updated on any changes to the projected date of occupancy. Upon receipt to the keys of the new unit, the resident must vacate the unit and surrender the key to the losing community for the unit within 72 hours.

All residents must pay all outstanding debts before being transferred in the computer system, including all damages to unit due to neglect or abuse.

PHA/LIHTC transfer are considered a move-out, unless the resident is transferring within the same building or a building having the same Building Identification Number, BIN and in this case, it is then considered a transfer. Residents residing in PHA/LIHTC units are allowed to transfer to other PHA/LIHTC units. However, residents residing in PHA/LIHTC units who wish to transfer to conventional Public Housing units would be considered a move-out and would require new admission to the public housing program. These tenants would not be required to be on the Public Housing Wait List as they were already admitted from the Public Housing Wait List to the PHA/LIHTC unit.

**Losing Communities; only applicable to conventional PHA units.**

Transfers to other communities will be processed in the same manner as move-outs. The name of the transferred resident and the name of the community he/she transferred to, with other required information would be reported as a transfer move-out.

**Gaining Communities; only applicable to conventional PHA units.**

Transfers from other communities will be processed in the same manner as move-ins, including a new lease. The name of the transferred resident and the name of the community he/she transferred from, with other required information, will be reported as a transfer move-in.

## Chapter 9

### LEASING

#### INTRODUCTION

It is HANO's policy that all units must be occupied pursuant to a dwelling Lease Agreement that complies with HUD's regulations. This Chapter describes pre-leasing activities and HANO's policies pertaining to Lease execution, security deposits, other charges, and additions to the Lease.

#### A. LEASE ORIENTATION

Upon execution of the Lease, a HANO representative or its Agents will provide a lease orientation to the family head and spouse. The orientation may be conducted with more than one family.

The family must attend an orientation before taking occupancy of the unit and within 30-calendar days after execution of the Lease.

#### Orientation Agenda

When families attend the lease orientation, they will be provided with:

A copy of the Lease, Grievance procedure, Handbook, Newsletter, warranty explanation in new communities and walk through of unit with a demonstration of new appliances.

Names and telephone numbers of the following:

- Site Staff
- Resident Council members
- Legal services
- HANO, LHFA if applicable
- Local Utilities Companies
- Schools, Shopping and Transportation in the area

Topics to be discussed will include, but are not limited to:

Fair Housing Act  
Tax Credit Requirements  
Applicable deposits and other charges  
Provisions of the Lease  
Smoke-Free Policy  
Family Choice of Rents  
Rent Hardships Exemptions and other deductions  
Information on Reasonable Accommodations  
Orientation to the community  
Unit maintenance and work orders  
Terms of occupancy  
Violence Against Women Act (VAWA)  
Local Preferences



Community Service  
Other HUD regulations that maybe applicable

## **B. LEASE REQUIREMENTS**

The initial term of the Lease will be for 12 months. The Lease will renew automatically for 12-month terms except for noncompliance with the community service requirement or for reasons that include restrictions stated in the Regulatory and Operating Agreement and Tax Credit Requirements.

Because the Lease automatically renews for terms of 12 months, an annual signing of the Actual Lease process is not required.

## **C. EXECUTION OF LEASE**

The Lease shall be executed by the head of household, spouse, and by an authorized representative of the Housing Authority, prior to admission.

The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

An appointment will be scheduled for the parties to execute the Lease. One executed copy of the Lease will be given to the resident, and HANO or its Agents will retain one in the resident's file. The Lease is incorporated into this policy by reference. The Lease document will reflect current HANO policies as well as applicable Federal, State, local law Section 42 and LHFA.

The following provisions govern Lease execution and amendments:

A Lease is executed at the time of admission for all new residents.

A new Lease is executed at the time of the transfer of a resident from one housing community unit to another (with no change in recertification date).

If, for any reason, the head of household ceases to be a member of the household, HANO or its Agents will consider executing a Lease with the remaining family member(s). Refer to Chapter 11 for additional information on remaining family members.

Lease signers must be persons legally eligible to execute contracts.

The names and date of birth of all household members are listed on the Lease at initial occupancy and on the Application for Continued Occupancy each subsequent year. Only those persons listed on the most recent certification shall be permitted to occupy a dwelling unit.

Whenever there is a change in the family composition, a new Lease will be executed.

Changes to resident rents are made upon the preparation and execution of a "Notice of Rent Adjustment" by HANO or its Agents, which becomes an attachment to the Lease. Documentation will be included in the resident file to

support proper notice.

Households that include a Live-In Attendant will contain file documentation that the Live-In Attendant is not a party to the Lease and is not entitled to housing assistance, with the exception of occupancy while serving as the attendant for the participant family member. Only one additional bedroom may be assigned to a Live-In Attendant to accommodate the Live-In Attendant only.

HANO may modify its form of Lease from time to time, giving residents an opportunity to comment on proposed changes and advance notice of the implementation of any changes. A resident's refusal to accept permissible and reasonable Lease modifications, or those modifications required by HUD, is grounds for termination of tenancy.

#### **D. ADDITIONS TO THE LEASE**

HANO or its Agents must approve requests for the addition of a new member of the household, prior to the actual move-in by the proposed new member(s), except for births, adoptions, and court-awarded child custody.

Following receipt of a family's request for approval, Management will conduct a pre-admission screening, including the Criminal History Report, of the proposed new member. Only new members approved by HANO, or its Agents will be added to the household.

Factors determining household additions:

1. Household additions subject to screening:

Resident plans to marry, resident desires to add a new family member to the Lease, employ a live-in aide, or take in a foster child (ren). (Adult family members may be considered when a sole head of household is the caregiver for an elderly or disabled person).

2. Factors determining household additions that may be subject to screening, depending on HANO or its Agents discretion:

HANO or its Agents will request that the public housing resident provide HANO or its Agents with a signed consent form from the parent(s) or legal guardian allowing HANO or its Agents to check the records of the child.

Sources to be checked may include school records (attendance/behavior) and/or police records.

3. In such cases where the addition of a new member other than by birth, adoption, court-awarded custody, or an approved live-in attendant will affect the bedroom size required by the family, according to HANO's occupancy standards, HANO or its Agents will not approve the addition unless they have granted exceptions from the occupancy standards (see Chapter 11, Section I – Changes in Unit Size).

4. Residents who fail to notify HANO or its Agents of additions to the household, or

who permit persons to join the household without undergoing screening, are in violation of the Lease. Such persons are considered unauthorized occupants, and the entire household will be subject to eviction.

5. Family members aged 18 and over who move from the dwelling unit to establish new households shall be removed from the Lease. The resident must notify HANO or its Agents of the move-out within 10 calendar days of its occurrence.
  - These individuals may not be readmitted to the unit, if they fail the screening criteria and over-crowd the unit.
  - HANO or its Agents in making determinations under this paragraph will consider medical hardship or other extenuating circumstances.
6. The resident may not allow visitors to stay overnight for more than 14 consecutive days without HANO or its Agents approval.
  - If the resident is currently in the process of adding a visitor to their household, and the process will take HANO or its Agents longer than 14 days at no fault of the resident, the visitor may remain in the household until the decision to admit them has been made. Approval must be granted by HANO or its Agents in writing for this extension.
  - Visitors who remain beyond the authorized period shall be considered trespassers, and their presence constitutes a breach of the Lease.
  - If an individual other than a leaseholder is representing to an outside agency that they are residing in the lessee's unit, the person will be considered an unauthorized member of the household.
7. Roomers and lodgers are not permitted to occupy a dwelling unit, nor are they permitted to move in with any family occupying a dwelling unit.

Residents are not permitted to allow a former resident of HANO or a Signature Community who has been evicted to occupy the unit for any period of time.

Residents must advise HANO or its Agents when they will be absent from the unit for more than 7 days and provide a means for HANO or its Agents to contact the resident in the event of an emergency.

Failure to advise HANO or its Agents of extended absences is grounds for termination of the Lease.

## **E. LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES**

Before offering a vacant accessible unit to a non-disabled applicant, HANO or its Agents will offer such units:

First, to a current occupant of another unit of the same community, or other public housing communities under HANO's control, excluding the Signature Communities, who has a disability that requires the special features of the vacant unit.

Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

HANO and its Agents will require a non-disabled applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

## **F. UTILITY SERVICES**

Residents responsible for direct payment of utilities must abide by all regulations of the specific utility company, including regulations pertaining to advance payments of deposits.

Failure to maintain utility services during tenancy is a Lease violation and grounds for eviction.

Transferring of utilities in residents name must be done within 48 hours of signing the lease.

## **G. SECURITY DEPOSITS**

### **Security Deposit**

New residents must pay a security deposit to HANO or its Agents upon lease signing and prior to occupying unit.

The amount of the security deposit required is.

1 and 2 Bedroom(s) - \$200.00

3 or more Bedrooms - \$300.00

The security deposit may be paid in installments of no more than four monthly payments. Installments are due and payable with rent, no later than the first of the month.

HANO or its Agents will hold the security deposit for the period of time the resident occupies the unit.

HANO or its Agents will refund to the resident the amount of the security deposit, less any amount needed to pay the cost of:

Unpaid Rent;

Damages listed on the Move-Out Inspection Report that exceeds normal wear and tear;

Other charges under the Lease.

HANO or its Agents will refund the Security Deposit less any amounts owed, within 30 calendar days after moving out and resident's notification of new address.

HANO or its Agents will provide the resident, or the person designated by the former resident in the event of the former resident's incapacitation or death with a written list of any charges against the security deposit. If the resident disagrees with the amount charged to the security deposit, a meeting will be set-up to discuss the charges.

The resident must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition and must furnish a forwarding address to HANO or its Agents. All keys to the unit must be returned to the Management office upon vacating the unit.

HANO or its Agents will not use the security deposit for payment of rent or other charges while the resident is living in the unit.

If the resident transfers to another unit, HANO will transfer the security deposit to the new unit. The resident will be billed for any maintenance or other charges.

### **Pet Deposit**

See chapter on Pet policy.

## **H. RENT PAYMENTS**

Rent is due and payable on the first day of each month. Charges to the resident for maintenance and repair beyond normal wear and are also due the first of the month after the notice of said charges has been delivered to the resident.

### **Rent Collection Policy for Signature Community**

Notwithstanding the previous, any charges or late fees incurred by residents of the Signature Community, will be payable no less than five (5) days after the Site Manager gives notice to the resident of those charges. Site Manager must modify any date on which late fees or charges are due for a given resident of a PHA or PHA/LIHTC Unit if such modification will enable compliance with the preceding sentence. The notice described in this paragraph shall constitute a notice of adverse action and shall meet the governing requirements including due process under the Grievance Policy.

Subject to Louisiana landlord/tenant law, the late charge of \$25.00 will be assessed after the 5<sup>th</sup> calendar day of each month for each resident residing in a Signature Community that has not paid the full amount due to the Owner for that month. Written notice of the late fee will be hand-delivered by Site Manager to each resident on the 6<sup>th</sup> calendar day of each month for which rent has not been received in full. The 14-day notice will run concurrently with the late notice.

### **Rent Collection Policy for HANO Managed Sites**

Rent is due and payable on the first day of each month. Late fees incurred by residents of a HANO Managed Unit will be assessed on the 6<sup>th</sup> day of the month. Site Manager must modify any date on which late fees or charges are due for a given resident of a PHA Unit if such modification will enable compliance with the preceding sentence.

Resident may make their payments in the rental office during normal business hours or rent may be deposit in the secured rent drop box after normal business hours.

A late charge of \$25.00 will be assessed after the fifth calendar day of each month for each resident residing in a HANO managed community that has not paid the full amount due to the Owner for that month.

Written notice of the late fee will be hand-delivered by Site Manager to each resident on the second calendar day of each month for which rent has not been received in full. The 30-day notice will run concurrently with the late notice.

The notice described in this paragraph shall constitute a notice of adverse action and shall meet the governing requirements including due process under the Grievance Policy

The notice will list the balance due and will be consistent with Louisiana landlord/tenant law. Late charges shall be due and payable in accordance with the provisions as stated above. The Late Notice must also advise residents of their right to request an informal hearing.

A Notice to Vacate will be served on an adult resident(s) listed on the lease personally. Additionally, the notice may be delivered by certified mail or by tacking the notice on the door.

HANO or its Agents will only accept rent payment with money orders, cashier's check, and personal checks. Cash payments are not acceptable.

## **I. FEES AND NONPAYMENT PENALTIES**

If the resident fails to make payment by the fifth day for Signature Communities or the fifth of the month for HANO Managed sites, a late fee of \$25 will be charged on the sixth of the month or the next business day following the sixth of the month.

If a check is not redeemed and the rent is satisfied by the fifth for Signature Communities or the fifth day of the month for HANO Managed Sites, the rent will be considered unpaid.

HANO and its Agents will always consider the rent unpaid when a check is returned as NSF, or a check is written on a closed account. HANO or its Agents will not accept rent payment by personal checks for a period of twelve (12) months from the date of the second NSF check.

Any rent payment received will be applied to the oldest rent charges in the resident's account with the exception of debts currently under a repayment agreement. Any fees paid will be applied to the month in which the fees were incurred.

## **J. SCHEDULES OF SPECIAL CHARGES**

Schedules of special charges for services, repairs, utilities, rules, and regulations, which are required to be incorporated into the lease by reference, shall be publicly posted in a conspicuous manner in the Leasing office, and they will be provided to applicants and residents upon request.

## **K. MODIFICATIONS TO THE LEASE**

Schedules of special charges and rules and regulations are subject to modification or revision. Residents and resident organizations will be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and they will be given an opportunity to present written comments.

Comments will be taken into consideration before any proposed modifications or revisions become effective.

A copy of such notice shall be posted at the community management office and:

Hand delivered to the resident's unit;  
Mailed by first class mail to the resident.

After the proposed changes have been incorporated into the Lease and approved by the Board, each family will be notified of the effective date of the new Lease. Any modifications of the Lease must be accomplished by a written addendum to the Lease and signed by both parties.

## **L. CANCELLATION OF THE LEASE**

Cancellation of the resident's Lease is to be in accordance with the provisions contained in the Lease agreement and as stated in this policy.

## **M. INSPECTIONS OF PUBLIC HOUSING UNITS**

### **Initial Inspections**

HANO or its Agents and the family will inspect the premises prior to occupancy of the unit in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by management and the resident, will be kept in the resident file.

Any adult member may sign the inspection form for the head of household.

### **Vacate Inspections**

Residents are required to return unit keys to the community office upon move-out. When a resident returns the unit keys upon vacating a unit, a move-out inspection will be conducted with the resident, management, and maintenance staff. If the keys are not returned during the move-out, the move-out inspection will occur upon discovery of the vacant unit.

The purpose of this inspection is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. HANO or its Agents will determine if there are resident caused damages to the unit. Resident caused damages may affect part or all of the family's security deposit.

The move-out inspection also assists HANO or its Agents in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next resident.

The resident is encouraged to participate in the move-out inspection.

If the resident fails to participate in the inspection, resident loses the right to a grievance because grievance regulations only apply to current residents. By not participating in the inspection, the resident agrees to the charges, if any, assessed by HANO or its Agents.

If notice is not a 30-day to vacate, the resident will forfeit their security deposit.

### **Annual Inspections**

HANO and its Agents will inspect all units once annually utilizing the National Standards for the Physical Inspection of Real Estate (NSPIRE) inspection standards, in addition to three quarterly housekeeping inspections. All NSPIRE inspections should be completed and entered into HANO's system of operations, 60 days prior to HANO year-end.

The unit will be considered to have failed HUD's National Standards for the Physical Inspection of Real Estate if there are any *life-threatening* Health and Safety deficiencies.

Residents will be issued a copy of the housekeeping inspection report with required corrections, which may constitute a separate inspection.

If necessary to bring the unit into NSPIRE compliance, needed repairs will be completed by HANO's staff, its Agent's staff or an independent contractor.

All inspections will include a check of all smoke alarms, carbon monoxide detectors, and fire extinguishers to ensure proper working order.

The inspection report will indicate whether required corrections are to be charged to the resident or covered by management.

HANO or its Agents will repair required corrections within 5 days of the inspection date. An independent contractor will repair required corrections within 20 days of the inspection date.

Damages beyond "normal wear and tear" will be billed to the resident at actual cost to include the material and labor.

Residents who repeatedly "fail" the inspection or cause excessive damage to the unit will be in violation of their Lease.

Residents who are in violation of their lease due to repeated failed inspections will be scheduled for a Lease violation conference.

Once notified of maintenance charges due to damages beyond normal wear and tear, the resident will be given an opportunity to dispute charges under the Grievance policy.

### **Quality Control Inspections**

The management staff will conduct periodic quality control inspections to determine the condition of the unit and to identify problems or issues in which HANO or its Agents can be of service to the family.



HANO or its Agents staff will conduct quality control inspections for 10% of the total units on a monthly basis in preparation for the NSPIRE inspections. As a part of the monthly 10% inspections, the staff will inspect units, where repairs were made to vacant units generated by move-out inspections, that are under general contract maintenance or contracted out to low bid contractors.

- Residents who turn their smoke detectors off or damage and/or remove any one of the safety devices provided by HANO or its Agents will be counseled for the first violation and charged for labor plus the cost of material replacement. On the second offense, the resident will be charged a \$25 service charge plus the cost of material replacement. On the third offense, Lease termination proceedings will be initiated.

The purpose of these quality control inspections is to assure that repairs were completed at an acceptable level of quality and within an acceptable time frame.

HANO or its Agents staff will conduct quality control inspections for 10 % of the units receiving a preventive maintenance inspection within 5 days of the preventive maintenance inspection.

HANO or its Agents Maintenance Supervisor conducts quality control inspections for 5% of the preventive maintenance inspections conducted on a monthly basis.

The Site Manager will conduct periodic inspections to determine the condition of the unit and to identify problems or issues in which HANO or its Agents can be of service to the family.

### **Special Inspections**

Housing management staff may request the inspector to conduct a special inspection for housekeeping, unit condition, or suspected Lease violation.

HUD representatives or local government officials such as LHFA may review HANO or its Agents operations periodically and as a part of their monitoring may inspect a sampling of HANO's or its Agent's inventory.

### **Other Inspections**

The HANO or its Agents inspector will periodically conduct windshield and/or walk-through inspections to determine whether there may be Lease violations, adverse conditions or local code violations.

Playground inspections are conducted monthly to determine playground safety.

Building exterior and grounds inspections are conducted at all public housing properties and Signature Communities to determine hazardous conditions as well as to assist in budget preparation.

### **Emergency Inspections**

Management staff, including HANO and its Agents inspectors may initiate an emergency inspection report to generate a work order if they believe that an emergency

exists in the unit or on a public housing site. In addition, the inspector may conduct an emergency inspection without a work order and generate a work order after the inspection has been conducted (see Entry of Premises Notice in this chapter.) Repairs are to be completed within 24 hours from the time the work order is issued.

### Emergency Repairs to be Completed in Less than 24 Hours

The following items are to be considered emergency in nature and require immediate (less than 24 hour) response:

- Lock-out (with proper identification of resident)
- Broken lock, which affects unit security
- Broken window glass, which affects unit security, is a cutting hazard, or occurs within inclement weather (to be secured or abated)
- Escaping gas
- Plumbing leaks that can cause flooding or damage to the unit
- Natural gas leaks or smell of fumes
- Backed-up sewage or flooding
- Electrical hazard
- Units with elderly residents in which the HANO or its Agents installed air conditioner or heater (seasonal) or refrigerator is inoperable

Inoperable smoke detectors will be treated as a 24-hour emergency and will be made operable by management if the smoke detector needs repair.

Residents who disengage smoke detectors for convenience purposes will be cited. (See "Housekeeping Citations" in this chapter.)

- There may be a charge for these services if determined the emergency was the direct result of the resident or the resident neglect. See maintenance fee schedule for cost.

### Lead Based Paint

The HUD Lead Safe Housing Rule, codified at 24 CFR 35, subparts B-R, covers federally assisted and federally owned housing constructed prior to 1978. Federal regulations at 24 CFR 35, subpart L – Public Housing Programs require that the Housing Authority of New Orleans (HANO) ensure that required lead evaluations and control activities are performed when a child less than 6 years of age is identified in public housing with an elevated blood lead level. Elevated Blood-Lead Level (EBLL) means a confirmed concentration of lead in whole blood of a child under age 6 equal to or greater than the concentration in the most recent guidance published by the U.S. Department of Health and Human Services (HHS) on recommending that an environmental intervention be conducted.

For public housing, when a child under six (6) is identified with an EBLL, HANO, or its Agents must take the following steps:

- **Initial notification of a confirmed case to HUD:** HANO must provide written notice to the Field Office and HUD's Office of Lead Hazard Control (OLHCHH) of each known case of a child identified with an EBLL within 5 business days of receiving the information.
- **Initial notification of a confirmed case to public health department, when necessary:** HANO must provide the public health department with written notice of the name and address of any child identified as an EBLL case within 5 business days of when it received the notification of the case from another medical health care professional.
- **Verification of the case, when necessary:** If HANO or its Agents learn that a child has an EBLL from someone other than a medical health care provider, such as from a parent, they must immediately verify the report with the health department or medical health care provider.
- **Environmental Investigation:** HANO or its Agents must conduct an environmental investigation of the child's unit and the common areas servicing that unit within 15 calendar days in accordance with Chapter 16 of the HUD *Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing*. If lead-based paint hazards are found in the index unit in a multiunit property, HANO or its Agents must perform risk assessments in other covered units with a child under age 6 and in the common areas servicing those units. These risk assessments must be completed within 30 calendar days of receiving the results of the environmental investigation for a property with 20 or fewer other covered units and within 60 days for a property with more than 20 other covered units.
- **Control:** HANO or its Agents must ensure that any lead-based paint hazards identified by the environmental investigation are controlled within 30 calendar days by a certified lead-based paint abatement firm or certified lead renovation firm, including having the unit and common area pass a post-work dust clearance exam in accordance with section 35.1340. If the risk assessments of other covered units and common areas identifies lead-based paint hazards in units in which a child under age 6 resides, HANO or its Agents must also control those lead-based paint hazards. If the property has 20 or fewer other covered units, the lead hazard control work and clearance must be completed within 30 calendar days of receiving the results of the risk assessment. If the property has more than 20 other covered units, the lead hazard control work and clearance must be completed within 90 calendar days of receiving the results of the risk assessment.
- **Notification to other residents:** In a multiunit property, HANO or its Agents must notify all residents of lead evaluation and hazard control activities.
- **Follow-up notification:** HANO must notify the HUD Field Office of the results of the environmental investigation and then of the lead hazard control work within 10 business days of each activity.
- **Ongoing maintenance and reevaluation:** After the work passes clearance, HANO or its Agents must ensure that the unit and common areas are maintained as lead-safe for continued occupancy, which includes no deteriorated paint or failed lead hazard control methods. HANO or its Agents must generally conduct periodic reevaluations every two years, using a certified lead risk assessor, and respond to them. The

reevaluations shall be for: deteriorated paint surfaces unless they are known not to be lead-based paint, deteriorated or failed interim controls of lead-based paint hazards or encapsulation or enclosure treatments, dust-lead hazards, and soil-lead hazards in newly bare soil.

## **Data Sharing**

On a quarterly basis, HANO will seek to provide an updated list of its target housing addresses to the State health department so that the health department may evaluate whether there are incidences of EBLL cases in HANO-assisted housing. If the health department does not want, or is unable, to receive this data, HANO must document this for HUD compliance reviews. HANO will also attempt quarterly to obtain the names and addresses of children under age 6 with an EBLL that live in its owned or managed housing from the health department. If a match occurs, HANO will comply with all requirements of its lead-based policy outlined above. HANO will treat EBLL information as confidential and will use such information solely for the purpose of protecting the public health of children and their families from lead exposure.

## **Entry of Premises Notices**

HANO or its Agents will give prior written notice for non-emergency inspections. Non-emergency entries to the unit will be made during reasonable hours of the day.

HANO or its Agents will provide the family with 48-hour notice prior to entering the unit for non-emergency reasons.

An adult family member must be present in the unit during the inspection.

If no person is at home, the inspector will enter the unit and conduct the inspection.

If no one is in the unit, the person(s) who enters the unit will leave a written notice to the resident explaining the reason the unit was entered and the date and time.

A written notice specifying the purpose for non-emergency entry into the unit will be delivered to the premises at least 2 days before entry.

Where HANO or its Agents is conducting regular annual examinations of its housing units, the family will receive a minimum of 48-hour notice of the inspection to allow the family to prepare and be able to pass the inspection.

Reasons HANO or its Agents will enter the unit are:

- Inspections and maintenance

- To make improvements and repairs

- To show the premises for leasing

- In cases of emergency.

HANO or its Agents will reschedule the inspection no more than once unless the resident has a verifiable medical reason that has hindered the inspection. Management may request verification.

Repairs requested by the family will not require prior notice to the family. Residents are notified in the lease that resident-requested repairs presume permission for HANO or its Agent's staff to enter.

### **Non-Inspection Emergency Entry**

HANO or its Agents staff will allow access to the unit to proper authorities when issues of health or safety of the resident is concerned. Health and safety concerns may include but not limited to fire, smoke, flood, electrical, gas or water leaks.

### **Family Responsibility to Allow Inspection**

HANO and its Agents must be allowed to inspect the unit at reasonable times with reasonable notice 48 -hour written notice, which is considered reasonable in all cases.

The resident is notified of the inspection appointment by hand delivered notices and in some cases, by mail, email and/or phone call,

### **Housekeeping Citations**

Residents who "fail" an inspection due to housekeeping will be issued a Housekeeping Citation, and a re-inspection will be conducted within 5 working days by housing management staff.

If the family fails to comply with the re-inspection, it may result in Lease termination. Alternatively, if the family is issued another Housekeeping Citation within 5 days of the re-inspection, the family will be summoned for a Lease violation conference.

Citations will be issued to residents who purposely and for convenience disengage the unit's smoke detector. Since this is a health and safety violation, repeated citations will result in Lease termination. Additionally, all cost associated with repair or replacement of a smoke detector will be charged to the Resident.

The third such citation will be considered a violation of the Lease and Lease termination proceedings will be initiated.

### **Resident Damages**

Repeated failed inspections or damages to the unit beyond normal wear and tear may constitute serious or repeated Lease violations.

"Beyond normal wear and tear" is defined as items that could be charged against the resident's security deposit under state law or court practice.

## **N. SMOKE-FREE POLICY**

### **Purpose of Smoke-Free Policy**

The Housing Authority of New Orleans, in accordance with HUD regulation 24 CFR 965, Subpart G, aims to mitigate:

- (i) the irritation and known health effects of secondhand smoke;
- (ii) increased maintenance, cleaning and redecorating costs from smoking;
- (iii) increased risk of fire from smoking; and
- (iv) the higher costs of fire insurance for non-smoke-free buildings.

### **Smoke-Free Policy**

In accordance with HUD regulation 24 CFR 965 and 966, and HUD FR-5597-F-03, smoking is prohibited in all public housing living units, indoor common areas, including but not limited to hallways, community centers, day care centers, laundry centers, and similar structures, and rental and administrative office buildings. The term “smoking” means any inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, or other prohibited tobacco product in any manner or any form. Prohibited tobacco products include water pipes or hookahs.

The smoke-free policy also extends to all outdoor areas up to 25 feet from the housing units or administrative office buildings. The Smoke-Free Policy is also incorporated as an addendum to the Residential Lease Agreement between HANO or its Agents and the Resident(s).

### **Applicability**

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

This policy applies to all units in all properties owned by HANO. This policy does not apply to public housing units that are within mixed-finance developments. Signature Communities, however, can opt to mandate that public housing and mixed-finance units adhere to this or similar smoke-free policies.

### **Effective Date**

This smoke-free policy will be effective for all residents, household members, employees, guests, and service persons of covered properties on July 30, 2018.

Residents must execute a smoke-free lease addendum as part of the annual lease renewal process. All residents of covered properties must sign the initial smoke-free lease addendum and be in compliance with the smoke-free policy no later than July 30, 2018.

### **Enforcement**

Violation of the smoke-free policy constitutes a violation of the terms of the public housing lease. HANO and its Agents must enforce smoke-free policies when a resident violates this policy. When enforcing the lease, HANO or its Agents will provide due process and allow residents to exercise their right to an informal settlement and formal hearing. Residents may be responsible for any cleaning fees or costs to repair damages caused by smoking in restricted areas in violation of the smoke-free policy. Tenancy termination and eviction will be pursued only as a last resort. HANO or its Agents may terminate tenancy at any time for violations of the lease and failure to otherwise fulfill household obligations if resident behavior disturbs other residents' peaceful enjoyment and is not conducive to maintaining the property in a decent, safe, and sanitary

condition.

**Reasonable Accommodation**

While addiction to nicotine or smoking is not a disability, HANO or its Agents will provide reasonable accommodation to persons with disabilities who smoke that are in compliance with the requirements of this smoke-free policy. Such reasonable accommodations do not include permitting smoking in the restricted areas defined above.

## Chapter 10

### PET POLICY – GENERAL OCCUPANCY (FAMILY) COMMUNITIES

#### A. GENERAL STATEMENT

The Housing Authority of New Orleans and its Agents shall permit residents to maintain pets in their dwelling units in accordance with the following policy. Residents must comply with all federal, state and local laws pertaining to the possession of animals as well as the provisions of this policy. The Site Manager shall enforce this policy and failure to comply with these requirements shall be deemed grounds for termination of the Residential Lease Agreement between the Resident, HANO or its Agents and such other actions as provided for in state and local laws. Assistance animals that are needed as a reasonable accommodation for persons with disabilities are not considered pets, and thus are not subject to Pet policy. Agents of Signature policies may have distinct guidelines set forth in their Pet-Policy that may vary from HANO's policy.

#### B. POSSESSION OF PETS AS A REASONABLE ACCOMMODATION

Regular PHA pet policies do not apply to animals that are used to assist persons with disabilities and are necessary as a reasonable accommodation.

A PHA may not refuse to allow a person with a disability to have an assistance animal merely because the animal does not have formal training. Some, but not all animals that assist persons with disabilities are professionally trained. Other assistance animals are trained by the owners, and, in some cases, no special training is required. The animal must perform the assistance or provides the benefit needed by the person with a disability.

Assistance animals are exempt from a PHA's "pet" restrictions or a PHA's policy requiring pet deposits or monthly pet fees. However, all reasonable lease provisions relating to health and safety apply to assistance/service animals such as maintaining the premises in a clean and sanitary condition and must meet all of the following:

- Residents must submit proof that pets have been vaccinated by a licensed veterinarian with anti-rabies vaccine with the initial pet application and each year at the time of pet registration.

#### C. POSSESSION OF PETS

The possession of pets in a Housing Authority of New Orleans dwelling unit is limited as follows:

- Pets shall be limited to companion animals, which are defined as domestic household pets such as dogs, cats, small and caged birds, guinea pigs, gerbils, hamsters, rabbits and fish. Reptiles, exotic animals and birds of prey are not considered household pets.
- Only one pet may be kept in any one dwelling unit. If current residents possess more than one pet prior to the adoption of this policy, they may



continue ownership of those pets, but under no circumstance will any resident be permitted to maintain more than two pets in any one dwelling unit. Once a second pet leaves the household, it may not be replaced with another pet. At that time, the household must comply with the limitation of only one pet per household. The head of the household is responsible for any pet in the unit regardless of the actual pet owner.

- No wild or exotic animal may be kept as a pet at any time. This means any monkey (or other non-human primate), raccoon, skunk, wolf, squirrel, fox, leopard, panther, tiger, lion, lynx, or any other warm-blooded animal, poisonous or constricting snake or tarantula which can normally be found in the wild, or any member of crocodylian, including but not limited to alligators, crocodiles, caimans or gavials.
- No aggressive or vicious animal may be kept as a pet at any time. Vicious animal means any animal that by virtue of its size, temperament, natural environment or present circumstances is capable of threatening the safety of a living being or one that may be prone to extreme fierceness, unrestrained violence or brutality. Aggressive animal means any animal, which will commit an unprovoked attack or threat. An animal shall be determined as threatening if any of the following occurs: it bites a person or another domestic animal; chases or approaches a person in a public area in a menacing fashion; or it injures any person authorized to enter the owner's premises, including Housing Authority and its Agent's personnel.

#### **D. INITIAL AND ANNUAL REQUIREMENTS**

Residents must complete a pet application prior to initial possession of a pet. Each year thereafter, at the time of the annual re-examination of income, residents must register with the Site Manager of their community, all pets governed by this policy. The Housing Authority of New Orleans will grant written approval for the pet to be maintained in the dwelling unit based upon compliance with all provisions of this policy. Additional requirements as follows must be met to receive approval for a pet to be maintained in the dwelling unit.

- A pet registration fee of \$25.00 (this is in addition to the Security Deposit) must be paid upon submission of the pet application. This fee is non-refundable and will not be returned to the resident under any condition.
- A pet deposit of \$250.00 will be required and must be paid as follows at time of application. The deposit will be placed in an escrow account and the agency will refund the unused portion of the deposit to the resident if there are no damages to the unit or property, the resident moves, or if the resident no longer owns or has a pet present in the resident's dwelling unit.
- Residents must submit proof that pets have been vaccinated by a licensed veterinarian with anti-rabies vaccine with the initial pet application and each year at the time of pet registration.

- Female dogs and cats over six months old must be spayed and males over six months old must be neutered. If for any reason this procedure would be detrimental to the animal's health, residents must submit a letter from a licensed veterinarian stating the medical reasons why such action would be harmful to the pet. Proof of these procedures shall be submitted at the time of initial application or prior to the first-year registration, if the pet is too young for the procedure at the time of initial application.

## **E. PET RULES**

Once an application for possession of a pet has been approved, residents must comply with the following rules at all times in order to maintain the pet.

- While outside the dwelling unit, all dogs must be confined within an enclosure or kept on a secured leash in accordance with the City of New Orleans Ordinance 18-14 and 7-12. The animal must be accompanied by a person who is able to control it.
- Pets are not permitted on balconies, in management offices, community buildings, maintenance areas or other areas of the community dedicated for special purposes.
- Pets must be walked within the "pet walking areas" if such areas have been designated at the site where the pet owner resides. If such areas have not been designated by management, then the owner of every pet is responsible for picking up the waste (feces) left by the pet on property and disposing of it in a proper receptacle.
- No pet may make excessive noise, which disturbs the peaceful enjoyment of the premises by other residents.
- Residents must furnish the name, address and phone number of the person(s) responsible for the care of the pet in case of an emergency.
- All places where animals are kept (kennels, pens, cages, and general dwelling space) must be kept clean and wholesome by removal of all odors, urine and other offensive matters and by suitable cleansing as often as may be necessary.
- Cruelty to animals is strictly prohibited and any person committing such crime shall immediately be reported to Louisiana Society for the Prevention of Cruelty to Animals, the City of New Orleans Department of Health and/or the New Orleans Police Department. Cruelty of animals means the intentional or negligent mistreatment of any animal by any act or omission whereby pain, suffering or death is caused to such animal.
- In accordance with the City of New Orleans Ordinance 18-17, no resident

shall hold, operate, sponsor or in any way further a contest that pits animals against each other. The training of any animal to act in a vicious or ferocious manner is strictly prohibited.

- Residents shall not cause an animal to engage in any unnatural behavior, to wrestle or fight, to be physically or mentally harassed or encourage any animal to perform through the use of any chemical, mechanical, electrical or manual devices that will cause injury or suffering to the animal.
- Residents may temporarily care for a pet in their designated dwelling unit provided that they are in compliance with the rules set forth herein and they have notified the manager if a pet is to be in a unit for a period longer than 30 days. An application must be completed, and all other provisions of this policy shall apply.
- Pets shall not be allowed on the premises by visitors or other persons not listed on the Residential Lease Agreement. Such animals shall be considered trespassing, and action will be taken to remove these animals from HANO property.

## **F. ASSISTANCE AND REMEDIES**

This policy constitutes a provision of the Residential Lease Agreement (“Lease”) as if fully incorporated into such agreement. At the time of signing the Lease, residents shall be provided with a copy of this policy and required to sign an acknowledgement contained in the Lease that such policy was received. Assistance will be provided for any residents with special needs as stipulated in the Housing Authority of New Orleans Admissions and Occupancy Policy.

When management approves a pet application, the resident will be required to execute a pet owner’s lease agreement. This agreement will outline the obligations of HANO and the pet owner (resident). Said agreement shall be considered a “rider” to the existing Residential Lease Agreement.

Violations of this policy shall be handled in accordance with the provisions of the Residential Lease Agreement. Residents shall be entitled to all remedies permitted under federal, state and local law, including but not limited to utilization of the Grievance Policy and Procedures.

Every effort will be made to assist residents with the maintenance of pets in accordance with this policy including referral to the Louisiana Society for Prevention of Cruelty to Animals who may provide assistance with the cost of required vaccinations and licensing.

If you wish to report any neglect or cruelty to animals or animal, fighting you should contact the SPCA office. The Louisiana SPCA is located at 1700 Mardi Gras Blvd, New Orleans, LA. 70114, (504) 368-5191

## Chapter 11

### RECERTIFICATION

#### INTRODUCTION

HUD requires that HANO and its Agents offer all families the choice of paying income-based rent or flat rent at least annually. Families who choose to pay flat rent are required to complete a recertification of income, deductions and allowances at least once every three years. This ruling does not apply to residents who reside in PHA/LIHTC. Tax Credit Requirements mandate that residents comply with the recertification of income, family composition, deductions, and allowances annually.

To determine the amount of income-based rent, it is necessary for HANO and its Agents to perform a recertification of the family's income. At the annual recertification, families who choose to pay income-based rent must report their current household composition, income, deductions and allowances. Between regular annual recertifications, HUD requires that families report all changes in household composition, but HANO decides what other changes must be reported and the procedures for reporting them. This Chapter defines HANO's policy for conducting annual recertifications. It also explains the interim reporting requirements for families, and the standards for timely reporting.

#### A. ELIGIBILITY FOR CONTINUED OCCUPANCY

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

- Qualify as a family as defined in this policy;
- Are in full compliance with the obligations and responsibilities described in the dwelling Lease;
- All family members have submitted their Social Security numbers or have certifications on file that they do not have a Social Security number;
- Whose family members have submitted required citizenship/eligible immigration status/non-contending documents;
- Meets the Tax Credit Requirements (PHA/LIHTC residents only);
- Family's income does not exceed 120 percent of the Area Median Income (AMI) for two consecutive years (see section K of this Chapter).

#### B. ANNUAL RECERTIFICATION

The terms *annual recertification* and *annual re-examination* are synonymous.

In order to be recertified, families are required to provide current and accurate information on income, assets, allowances and deductions, and family composition.

Families who choose flat rent are to be recertified every three (3) years. Year. Families residing in PHA/LIHTC units must be recertified annually despite the fact they choose flat rent to remain in compliance with the Tax Credit Requirements.

For families who move in on the first of the month, the annual recertifications will be completed within twelve (12) months of the anniversary of the move-in date, (i.e. if family moves in August 1, the annual recertification will be conducted to be effective on August 1<sup>st</sup>, the following year effective by the first of the month).

For families who move in during the month, the annual recertifications will be completed no later than the first of the month in which the family moved in, the following year. (Example: If family moves in August 15, the effective date of the next annual recertification is August 1.)

In order to comply with HUD requirements,

**When families move to another dwelling unit with in Conventional Public Housing unit:**

- The annual recertification will not change.

**When families move to another dwelling unit in a tax credit community:**

- The annual recertification may change depending on the location of the move. All unit transfers in a tax credit community is considered a move-in, unless the transfer occurs in the same building in which the resident currently resides.

**Recertification Notice to the Family**

All families will be notified of their obligation to recertify by hand delivered notices, email, and/or. The notification shall be sent at least 120 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, HANO or its Agents will provide the notice in an accessible format. Management will also mail the notice to a third party, if requested, as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

If the family chooses flat rent, no recertification appointments will be necessary unless the family has paid the flat rent for three (3) years, or if the resident resides in a PHA/LIHTC in which case, a recertification will be done annually.

If the family has fixed income and is elderly and/or disabled, recertification appointments will only be necessary every two years. In the interim years, certifications may be conducted by mail. If the resident resides in a PHA/LIHTC unit, recertification appointments will still be conducted annually.

**Persons with Disabilities**

Persons with disabilities, who are unable to come to HANO's or its Agent's office will be granted an accommodation of conducting the interview at the person's home upon verification that the accommodation requested meets the need presented by the disability.

## **Collection of Information**

The HANO and its Agents representative will interview the family and enter the information provided by the family on the recertification form.

## **Requirements to Attend**

The following family members will be required to attend the recertification interview and sign the application for continued occupancy:

- All adult household members

If the head of household is unable to attend the interview:

- The appointment will be rescheduled.

Families with a fixed income that are elderly and/or disabled will be allowed to submit their required documents for recertification by mail every other year.

## **Failure to Respond to Notification to Recertify**

The written notification will explain which family members are required to attend the recertification interview. The family may call to request another appointment date up to five (5) days prior to the interview.

If the family and all required members do not appear for the recertification interview and has not rescheduled or made prior arrangements with HANO or its Agents, a second appointment will be rescheduled.

If the family and all required members fail to appear for the second appointment, and have not rescheduled or made prior arrangements, HANO or its Agents will terminate the tenancy of the family.

Exceptions to these policies may be made by phone if the family is able to document an emergency that prevented them from canceling or attending the appointment.

## **Documents Required from the Family**

In the notification letter to the family, HANO or its Agents will include instructions for the family to bring the following such documents:

- Documentation of income for all family members
- Documentation of liquid and non-liquid assets
- Documentation to substantiate any deductions or allowances
- Personal Declaration Form and updated ethnicity documentation completed by head of household
- Documentation verifying compliance with community service by all non-exempt adults if applicable or documentation verifying compliance with

working preference if unemployed at the time of annual recertification

- Birth Certification for any new family members
- Picture Identification (Louisiana driver's license or Louisiana State Identification card)
- Social Security card for any new household members (despite age).
- Any other documentation required to by the Tax Credit Requirements, or the Management Plan required to comply with an eligibility requirement at a Signature Community.

If the family does not provide the above referenced documents at the scheduled interview, the recertification will not be completed, and family members will be required to schedule another appointment.

### **Verification of Information**

All information, which affects the families, continued eligibility for the program, and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for recertification must be less than 120 days old. All verifications will be placed in the file, which has been established for the family.

When the information has been verified, it will be analyzed to determine:

- the continued eligibility of the resident as a family or as the remaining member of a family;
- the unit size required by the family;
- the amount of rent the family should pay.

### **Streamlined Verification of Fixed Income (§§ 5.233, 5.657, 960.257, and 982.516)**

During years 2 and 3 after a full income review, HANO and its Agents may determine a family's fixed income by using a verified cost of living adjustment (COLA) or rate of interest on the individual sources of fixed income. The COLA or current interest rate applicable to each source of fixed income must be obtained either from a public source or from tenant-provided, third-party generated documentation.

In the case of a family with at least 90 percent of the family's unadjusted income from fixed income, HANO or its Agents using streamlined income verification may, but are not required to, adjust the non-fixed income. For families with at least one source of fixed income, but for which less than 90 percent of the family's income is from fixed sources, HANO and its Agents must verify and adjust non-fixed sources annually.

In all cases, families are required to certify that all the information they submit for income verification, including the sources of income, are accurate. Third-party verification of all income amounts for all family members must be performed at least every three years and annually for income-based tenants.

Streamlined Certification of fixed income does not apply to residents who reside in PHA/LIHTC units. Tax Credit Requirements mandate that residents comply with the recertification of income, family composition, deductions, and allowances annually.

### **Changes in the Resident Rent**

If there is any change in rent, including change in family's choice in rent, the lease will be amended, or a new lease will be executed, or a Notice of Rent Adjustment will be issued.

### **Resident Rent Increases**

If resident rent increases or changes, a thirty-day notice will be mailed to the family prior to the anniversary date.

### **Resident Rent Decreases**

If resident rent decreases, it will be effective 30 days after the resident receives the Rent Adjustment notice.

If the family causes a delay so that the processing of the recertification is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the recertification processing by HANO or its Agents.

If the resident rent decreases and the resident reported the change within a month prior to the annual recertification anniversary date or between the annual recertification anniversary date and the effective date of the annual recertification, the change will be treated as an interim.

The change will be effective the first of the following month that the family reported the change. If necessary, HANO or its Agents will run another HUD 50058 as an annual recertification.

Families must report all changes in household composition to HANO or its Agents between annual recertifications. This includes additions due to birth, adoption and court-awarded custody. The family must obtain management's approval prior to all other additions to the household.

When there is a change in head of household or a new adult family member is added, HANO or its Agents will complete an application for continued occupancy and re-verify, using the same procedures that would use for an annual recertification, except for effective dates of changes. In such case, the Interim Recertification Policy would be used.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified prior to the approval by HANO, or its Agents of the family member being added to the lease.

## **C. INTERIM RECERTIFICATION POLICY**

Families electing to pay income-based rent must comply with the following requirements between regularly scheduled recertifications of family composition and income:



- Between annual recertification, residents must report increases in income to the Site Manager within 10 calendar days of the occurrence. An increase in income will result in HANO or its Agents performing an interim reexamination when the family reports a change in adjusted income that will result in an increase of 10% or more in annual adjusted income. If the rent increases, a thirty (30) day Rent Adjustment notice will be mailed to the family prior to the effective date of the increase.
- Failure of the resident to report in a timely manner will result in a rent increase. The increase will be retroactive to the first of the following month in which the increase in income was effective.
- Any reported decrease in income will result in a recalculation of resident rent, and if applicable, resident rent will be decreased effective the first of the month following the month in which the decrease was reported.
- Residents with seasonal or part-time employment of a cyclical nature will be asked for third party documentation of the circumstances of their employment including start and ending dates. Income from these sources will be annualized for determination of rent based on average earnings during the prior periods.
- HANO or its Agents may process an interim adjustment in rent if at an annual or interim re-certification a resident misrepresents the facts upon which the rent is based.
- Complete justification and verification of the circumstances applicable to rent adjustments must be documented by the resident and approved by HANO or its Agents.

Interim recertifications for families paying flat rent will be conducted based on the following:

- The family may at any time request and be permitted to convert from paying a flat rent to an income-based rent if the family is unable to pay the flat rent due to a financial hardship, defined as follows:
- The family has experienced a decrease in income because of changed circumstances, including the loss or reduction of employment, death in the family or a reduction in other assistance.
- The family has experienced an increase in expenses because of changed circumstances, for medical costs, childcare, transportation, education or similar items.
- HANO or its Agents will complete the interim recertification within 30 days from the date of the family's request to convert from the flat rent to income-based rent. The flat rent will become effective the first of the month following the request.

### **Increases in Income to Be Reported**

Families paying flat rent are not required to report any increases in income or assets. This does not apply to families who resides in PHA/LIHTC

Families must report all increases in income/assets of all household members to HANO or its Agents in writing or verbally within 10 calendar days of the occurrence.

HANO will perform an interim reexamination when the family reports a change in adjusted income that will result in an increase of 10% or more in annual adjusted income.

HANO will take into consideration not only changes to income but must also consider changes to eligible expenses, if applicable, to determine if an interim reexamination will be completed.

### **Increases in Income and Rent Adjustments**

Rent increases (except those due to misrepresentation) require 30 days' notice.

### **Decreases in Income and Rent Adjustments**

Residents may report a decrease in income and other changes, such as an increase in allowances or deductions that would reduce the amount of the Total Tenant Payment.

HANO or its Agents will process the rent adjustment unless HANO or its Agents confirm that the decrease in income will last less than 30 calendar days.

HANO or its Agents will process rent adjustments whenever there is a decrease in income.

## **D. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

HANO or its Agents will not reduce the public housing rent for families whose assistance for needy families (TANF) is reduced due to a "specified TANF benefit reduction," which is a reduction in TANF benefits due to:

Fraud by a family member in connection with the TANF program; or

Noncompliance with a TANF agency requirement to participate in an economic self-sufficiency program

A "specified TANF benefit reduction" does not include a reduction of TANF benefits due to:

The expiration of a lifetime time limit on receiving benefits; or

A situation where the family has complied with TANF program requirements but cannot or has not obtained employment, such as:

The family has complied with TANF program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their TANF benefits.

Noncompliance with other TANF agency requirements.

### **Definition of "Covered Family":**

A household that receives benefits for TANF or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program, as outlined in the Code of Federal Regulations.

### **Definition of "Imputed TANF Income":**

The amount of annual income, not actually received by a family, as a result of a specified TANF benefit reduction, that is included in the family's income for purposes of determining rent.

The amount of imputed TANF income is determined by HANO or its Agents, based on written information supplied to HANO or its Agents by the TANF agency, including:

- The amount of the benefit reduction

- The term of the benefit reduction

- The reason for the reduction

- Subsequent changes in the term or amount of benefit reduction

Imputed TANF income will be included at annual and interim recertifications during the term of reduction of TANF benefits.

The amount of imputed TANF income will be offset by the amount of additional income a family receives that begins after the sanction was imposed. When additional income is at least equal to the imputed TANF income, the imputed income will be reduced to zero.

If the family was not an assisted resident of public housing when the TANF sanction began, imputed TANF income will not be included in annual income.

### **Verification before Denying a Request to Reduce Rent**

HANO or its Agents will obtain written verification from the TANF agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

HANO or its Agents will rely on the TANF agencies written notice regarding TANF sanctions.

### **Cooperation Agreements**

HANO has a written cooperation agreement in place with the local TANF agency that assists HANO or its Agents in obtaining the necessary information regarding TANF sanctions. HANO will provide any support necessary to assist its Agents to carry out the requirements of this section.

HANO has taken a proactive approach to culminating an effective working relationship between HANO and the local TANF agency for the purpose of targeting economic self-

sufficiency programs throughout the community that is available to public housing residents.

HANO and the local TANF agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs or services that would benefit public housing residents.

### **Family Dispute of Amount of Imputed TANF Income**

If the family disputes the amount of imputed income and HANO or its Agents deny the family's request to modify the amount, HANO or its Agents will provide the resident with a notice of denial, which will include:

An explanation for HANO's or its Agents determination of the amount of imputed TANF income.

A statement that the resident may request a grievance hearing.

A statement that the information received from the TANF agency cannot be disputed at the grievance hearing, and the issue to be examined at the grievance hearing will be HANO or its Agent's determination of the amount of imputed TANF income, not the TANF agency's determination to sanction the TANF benefits.

A statement that if the resident requests a grievance hearing, the resident will not be required to pay an escrow deposit for the portion of resident rent attributable to the imputed TANF income.

Neither HANO nor its Agents are responsible for determining that a reduction of TANF benefits was correctly determined by the TANF agency.

HANO or its Agents are entitled to reply on the TANF agency notice to the PHA of the agency's determinations of a specified TANF benefit reduction.

### **E. OTHER INTERIM REPORTING ISSUES**

HANO or its Agents will schedule families with zero income or who are noncompliant with the Community Service requirement every 30 days to meet staff in person to discuss strategies to become compliant with the Community Service requirement.

### **Errors**

If HANO or its Agents make a calculation error at admission to the program or at an annual or interim recertification, an interim recertification will be conducted to correct the error, but the family will not be charged retroactively.

- F.** If the error(s) caused an overcharge of rent to the family, HANO or its Agents will provide an immediate rent credit dating back to the date of the error (s). If the amount of the credit would be more than the rent due, the family shall receive payment within 1 week of becoming aware of the error. **TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)**

## **Standard for Timely Reporting of Changes**

HANO and its Agents require that families report interim changes to - within ten (10) days of when the change occurs. Any information, document or signature needed from the family that is needed to verify the change must be provided by the family for the change to take effect.

An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within 10 days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications or documentation, (in the time period requested by HANO or its Agents) it will be considered untimely reporting.

## **Procedures When the Change is Reported in a Timely Manner**

HANO or its Agents will notify the family of any changes in Resident Rent to be effective according to the following guidelines:

Increases in the Resident Rent will not occur between recertifications unless:

- A person with income joins the household
- Resident can verify a change in his/her circumstances that would justify a reduction in rent.
- It is found that Resident has misrepresented the facts upon which the rent is based, so the rent Resident is paying is less than the rent that he/she should have been charged.
- HANO or its Agents will apply an increase in rent retroactive the first of the month following the month in which the misrepresentation occurred.
- Resident has no income and later secures an income and meets the protocol related to income disallowance. See income disallowance for further details
- Federal law or regulation changes rent formulas or procedures.

All changes in family composition must be reported to HANO or its Agents within ten (10) days of the occurrence. Failure to report within the ten (10) days may result in a retroactive rent charge.

Families electing to pay flat rents will be recertified for family composition only at least annually. A recertification for family income shall be completed at least every three (3) years.

The family may at any time request that they be permitted to convert from paying a flat rent to an income-based rent, if the family is unable to pay the flat rent due to financial hardship notwithstanding the preceding, families residing in PHA/LIHTC must recertify annually for the purposes of determining continued eligibility according to the Tax Credit Requirements. Under both program the flat rent will remain the

same for the three (3) year period.

**Decreases in the Resident Rent** are effective the first of the month following the month in which the change is reported.

The change may be implemented based on documentation provided by the family, pending third-party written verification.

### **Procedures When the Resident does Not report the Change in a Timely Manner**

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim recertification processing and the following guidelines will apply:

**Increase in Resident Rent** will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any underpaid rent and may be required to make a lump sum payment or sign a repayment agreement for no more than twelve months.

**Decrease in Resident Rent** will be effective on the first of the month following completion of processing by HANO or its Agents and not retroactively.

HANO or its Agents will not execute a repayment agreement for more than twelve months.

### **Procedures when the Change is not Processed by HANO in a Timely Manner**

"Processed in a timely manner," means that the change goes into effect on the date it should when the family reports the change in accordance with their lease.

If the change cannot be made effective on that date, HANO or its Agents do not process the change in a timely manner.

Therefore, an increase will be effective after the required 30-day notice prior to the first of the month after completion of processing by HANO or its Agents.

A decrease in rent will be applied retroactively based on the date the family reported the change.

## **G. REPORTING OF CHANGES IN FAMILY COMPOSITION**

HANO or its Agents must approve the members of the family residing in the unit.

The family must inform HANO or its Agents and request approval of additional family members other than additions due to birth, adoption, marriage, court-awarded custody before the new member occupies the unit.

All changes in family composition must be reported within ten (10) working days of the occurrence in writing.

If an adult family member is declared permanently absent by the head of household, the notice must contain a certification by the head of household that the member (who may

be the head of household) is removed permanently.

### **Increase in Family Size**

HANO or its Agents will consider a unit transfer (if needed under the Occupancy Guidelines) for additions to the family in the following cases:

Addition by marriage/or marital-type relation.

Addition of an approved live-in attendant.

Addition due to birth, adoption or court-awarded custody.

Families who need a larger sized unit because of voluntary additions will have lower priority on the Transfer List than other families who are required to change unit size.

If a change due to birth, adoption, court-awarded custody, or need for a live-in attendant requires a larger size unit due to overcrowding, the change in unit size shall be made effective upon availability of an appropriately sized unit.

### **Definition of "Temporarily/Permanently Absent"**

HANO or its Agents must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and, in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. HANO or its Agents will evaluate absences from the unit in accordance with this policy.

### **Absence of Entire Family**

These policy guidelines address situations when the family is absent from the unit but has not moved out of the unit. In cases where the family has moved out of the unit, HANO or its Agents will terminate tenancy in accordance with the appropriate lease termination procedures contained in this Policy.

Families are required to notify HANO or its Agents before they move out of a unit in accordance with the lease and to give HANO information about any family absence from the unit.

Family must provide a self- affidavit that a family member has vacated the unit.

Families must notify HANO or its Agents if they are going to be absent from the unit for more than seven consecutive days. A person with a disability may request an extension of time as an accommodation.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is, absent from the unit, HANO or its Agents may:

- Conduct home visit
- Write letters to the family at the unit
- Telephone the family at the unit
- Interview neighbors
- Verify if utilities are in service
- Check with Post Office for forwarding address
- Contact emergency contact

If the entire family is absent from the unit, without HANO or its Agents permission, for more than seven consecutive days, the unit will be considered vacant and HANO or its Agents will terminate tenancy.

As a reasonable accommodation for a person with a disability, HANO or its Agents may approve an extension.

(See Absence Due to Medical Reasons for other reasons to approve an extension.)  
During the period of absence, the rent and other charges must remain current.

Families who are absent from the unit due to domestic violence because entrance in shelter, other safe locations, obtains a protective order or other circumstances that causes the family to flee maybe reinstated if the family provides verification. During the period of absence, the rent and other charges must remain current.

### **Absence of Any Member**

Any member of the household will be considered permanently absent if he/she is away from the unit for six consecutive months except as otherwise provided in this Chapter.

### **Absence Due to Medical Reasons**

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, HANO or its Agents will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent.

If the verification indicates that the family member will return in less than 30 consecutive days, the family member will not be considered permanently absent, as long as rent and other charges remain current.

If the person who is determined to be permanently absent is, the sole member of the household, assistance will be terminated in accordance with HANO's "Absence of Entire Family" policy.

### **Absence Due to Incarceration**

If the sole member is incarcerated for more than 30 consecutive days, he/she will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if he/she is incarcerated for 30



consecutive days. The rent and other charges must remain current during this period.

HANO or its Agents will determine if the reason for incarceration is for drug-related or criminal activity, which would threaten the health, safety, and right to peaceful enjoyment of the dwelling unit by other residents.

### **Foster Care and Absences of Children**

If the family includes a child or children temporarily absent from the home due to placement in foster care, HANO will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than six months from the date of removal of the child (ren), the family will be required to move to a smaller size unit. If all children are removed from the home permanently, the unit size will be reduced in accordance with HANO's or its Agents occupancy guidelines.

### **Absence of Adult**

If neither parent remains in the household nor the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, HANO or its Agents will treat that adult as a visitor for the first 30 calendar days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under Resident Suitability criteria, the lease will be transferred to the caretaker.

If the court has not awarded custody or legal guardianship, but the action is in process, HANO or its Agents will secure verification from social services staff or the attorney as to the status.

HANO or its Agents has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the unit to care for the child (ren) for an indefinite period.

When HANO or its Agents approve a person to reside in the unit as caretaker for the child(ren), the income of the caretaker should be counted pending a final disposition. HANO or its Agents will work with the appropriate service agencies to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than 30 days, the person will be considered permanently absent.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

Full time students who attend school away from the home will be treated in the following manner:

Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household.

## **Visitors (See Chapter on Leasing)**

Any person not included on the HUD 50058 who has been in the household for more than 14 consecutive days without written consent from HANO or its Agents will be considered as living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is an unauthorized household member.

Statements from neighbors and/or HANO or its Agents staff will be considered in making the determination.

HANO or its Agents will consider:

- Statements from neighbors and/or HANO or its Agents staff
- Vehicle license plate verification
- Post Office records
- Driver's license verification
- Law enforcement reports
- Credit reports

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the family and HANO or its Agents will terminate the family's lease since prior approval was not requested for the addition.

Minors and college students who were part of the family but who now live away from home during the school year and are not considered members of the household may visit for up to 30 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household according to the specifications in the court order, the minor may be considered an eligible visitor and not a family member.

If both parents reside in Public Housing, only one parent would be able to claim the child for deductions and for determination for the occupancy standards.

## **H. REMAINING MEMBER OF RESIDENT FAMILY - RETENTION OF UNIT**

To be considered the remaining member of the resident family, the person must have been previously approved by HANO to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

The remaining family member, based on the death of the family member, is eligible to remain in the unit but must pay rent based on income.

In this case, eligibility of the remaining family member, as defined by the death of the family member, is not reviewed.

In order for a minor child to continue to receive assistance as a remaining family member, HANO or its Agents have to verify that social services and/or the Juvenile Court has arranged for another adult to be brought into the unit to care for the child(ren) for an indefinite period.

A minor child who has been judicially emancipated to become head of household may remain in the unit.

A reduction in family size may require a transfer to an appropriate unit size per the Occupancy Standards.

## **I. CHANGES IN UNIT SIZE**

HANO or its Agents shall grant exceptions from the occupancy standards if the family requests and HANO determines the exceptions are justified according to this policy.

In general, HANO or its Agents will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage or court-awarded custody, and live-in attendant. If an exception is granted, the family will be transferred to a larger unit when one becomes available, in accordance with Chapter 8 – Transfer Policy, including the priority order for transfers.

HANO or its Agents will consider the size of the unit and the size of the bedrooms, as well as the number of bedrooms, when an exception is requested.

When an approvable change in the circumstances in a resident family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List. (Reference chapter on Occupancy Standards)

## **J. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES**

Under the Noncitizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants on June 19, 1995, shall continue receiving full assistance if they meet the following criteria:

The head of household, co-head or spouse is a U.S. citizen or has eligible immigrant status; AND

The family does not include any ineligible immigrants other than the head or spouse, or parents or children of the head, co-head or spouse.

Mixed families who qualify for continued assistance after 11/29/96 may receive prorated assistance only.

If they do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, or the family may choose prorated assistance (See Chapter titled "Factors Related to Total Tenant Payment Determination"). HANO may no longer offer temporary deferral of termination (see Chapter on "Lease Terminations").

## **K. CONTINUANCE OF ASSISTANCE FOR OVER-INCOME FAMILIES**

Under the HUD public notice dated July 26, 2018, at 83 FR 35490, "over-income" families are families whose income exceeds 120 percent of the area median income (AMI). A different limitation may be set by the Secretary of HUD.

In accordance with section 16(a) of the United States Housing Act of 1937 (42 U.S.C. 1437n(a)) ("1937 Act"), after a family's income has exceeded 120 percent of the area median income (AMI) (or a different limitation established by the Secretary) for two consecutive years, HANO or its Agents will either terminate the family's tenancy within 6 months of the second income determination or charge the family a monthly rent equal to the greater of (1) the applicable Fair Market Rent (FMR); or (2) the amount of monthly subsidy for the unit including amounts from the operating and capital fund, based on further guidance from HUD.

When HANO or its Agents become aware, through an annual reexamination or interim reexamination, that a family's income exceeds the applicable over-income limit, HANO or its Agents will document that the family exceeds the threshold to compare with the family's income a year later. If, one year after the initial determination by HANO or its Agents that a family's income continues to exceed the over-income limit, HANO or its Agents must, as required by section 16(a)(5) of the 1937 Act, provide written notification to the family that their income has exceeded the over-income limit for one year, and that if the family's income continues to exceed the over-income limit for the next 12 consecutive months, the family will be subject to either a higher rent or termination based on further guidance from HUD.

If, however, HANO or its Agents discover through an annual or interim reexamination that a previously over-income family has income that is now below the over-income limit, the family is no longer subject to these provisions. The family is entitled to a new two (2) year grace period if the family's income once again exceeds the over-income limit.

## Chapter 12

### LEASE TERMINATIONS

#### INTRODUCTION

The Housing Authority of New Orleans or its Agents may terminate tenancy for a family because of the family's action or failure to act in accordance with HUD regulations [24 CFR 966.4 (l)(2)], and the terms of the Lease. This Chapter describes HANO or its Agents' policies for notification of lease termination and provisions of the lease.

#### A. TERMINATION BY RESIDENT

The resident may terminate the Lease by providing HANO or its Agents with a **written** 30 days (plus one day) advance notice as defined in the lease agreement. Residents residing in a Signature Community PH or PHA/LIHTC unit may be subject to a termination fee or other early termination requirements of the lease agreement if the notice does not coincide with the end of the lease term.

#### B. TERMINATION BY HANO OR ITS AGENTS

Termination of tenancy will be in accordance with HANO's or the Signature Community's Lease, the Regulatory and Operating Agreement between HANO and the Signature Community, and the Tax Credit Requirements of the Signature Community.

HANO or its Agent's written Notice of Lease Termination will state the reason for the proposed termination, the date that the termination will take place, and it will offer the resident all of the rights and protections afforded by the regulations and this policy.

Notices of lease termination shall be in writing and delivered to the resident or adult member of the household by hand delivery or certified mail. The return of the certified mail receipt, whether signed or unsigned, shall be considered to be proof that the resident received proper notification. The notice shall contain a statement describing the resident's right to meet with the manager to determine whether a reasonable accommodation would eliminate the need for a lease termination.

If HANO or its Agents terminate the Lease, written notice will be given at least 30 days prior to termination for lease violations or over-income tenancy, or at least 14 calendar days prior to termination in the case of failure to pay rent.

#### **Terminations for Lease Violations**

The Lease may be terminated by HANO or its Agents at any time by giving written notice for serious or repeated violation of material terms of the Lease, such as, but not limited to the following:

- Nonpayment of rent or other charges due under the Lease, or repeated chronic late payment of rent;
- Failure to provide timely and accurate statements of income, assets, expenses, and family composition at Admission, Interim, Special or Annual Rent Recertifications;

- Assignment or subleasing of the premises or providing accommodation for boarders or lodgers;
- Use of the premises for purposes other than solely as a dwelling unit for the Resident and Resident 's household as identified in the Lease, or permitting its use for any other purposes;
- Imposing of Regulatory and Operating Agreement mandates and other Tax Credit Requirements;
- Failure to abide by necessary and reasonable rules made by HANO and its Agents for the benefit and wellbeing of the housing project and the Residents;
- Failure to abide by required smoke-free policies of HANO or its Agents
- Failure to abide by applicable building and housing codes materially affecting health or safety;
- Failure to dispose of garbage waste and rubbish in a safe and sanitary manner;
- Failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner;
- Acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;
- Failure to pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, project buildings, facilities, equipment, or common areas; or
- Failure to attend HANO's or its Agents' mandatory meetings/trainings;
- Failure of a family member to comply with community service provision, as grounds only for non-renewal of the Lease and termination of tenancy at the end of the 12-month lease term;
- Discovery, after admission, of facts that make the resident ineligible for program participation;
- Discovery of materially false statements or fraud by the Resident in connection with an application for assistance or with recertification of income;
- Failure to accept HANO's or its Agent's offer of a Lease revision to an existing Lease that is on a form adopted by HANO in accordance with HUD regulations, with written notice of the offer of the revision at Least 60 calendar days before the lease revision is scheduled to take effect; and with the offer specifying a reasonable time limit within that period for acceptance by the family.

### **Expedited Terminations for Criminal Activity**

The Lease may be terminated by HANO or its Agents at any time by giving written notice for serious or repeated criminal activity committed by the resident, family member, guest, or other persons under the control of the resident, such as, but not limited to the following:

- Federal Prohibitions:

- Conviction of manufacturing or producing methamphetamine by the resident, household members, or guests on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.
- HANO and its Agents will immediately terminate tenancy of persons subject to a lifetime registration requirement under a state sex offender registration program.
- Engaging in drug related criminal activity on or off the premises by the resident, members of the household, or guests, or on the premises by any other person under the resident's control. The term "drug related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with the intent to manufacture, sell, distribute, or use, a controlled substance (as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802)).
- Engaging in any criminal activity on the premises by the resident, members of the household, guests, or any other person under the resident's control that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents, employees of HANO or its Agents, or any persons residing in the immediate vicinity of the premises. Included among the crimes considered a threat to the health, safety, or right to peaceful enjoyment are crimes of violence (e.g. murder, battery, assault, stalking, harassment, domestic violence); crimes against property (e.g. vandalism, arson); and crimes that involve peace disturbance (e.g. fighting, public intoxication, illegal gambling, loud noise and music resulting in police reports).
- Any resident, any household member, or guest fleeing to avoid prosecution, custody, or confinement after conviction for a crime or is in violation of probation or parole imposed under Federal or State or local Law;
- Any resident or any household member is violating a condition of probation or parole imposed under Federal or State law.
- Any resident or any household member is harboring a tenant previously evicted due to criminal activity. Such discovery subjects the entire household to eviction.
- Storing or in the possession of weapon(s) or illegal drug(s) seized in a unit by law enforcement officers.
- Illegal use of a controlled substance or abuse of alcohol in a way that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents. This includes cases where HANO and its Agents determine that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

The head(s) of household is responsible for the actions of the household members, guests, and other persons under the family's control. HANO and its Agents will terminate a lease for criminal activity if it determines that the head of household, household member, guest, or person under the household's control has engaged in criminal activity, based on sufficient evidence that the individual(s) engaged in the

conduct. HANO and its Agents will use evidence such as police reports detailing the circumstances of an arrest, witness statements, video recordings, and other relevant documentation to assist them in making a determination that the criminal conduct occurred. An arrest record alone will not be used for lease termination; however an arrest or conviction record is not required for HANO or its Agents to terminate a lease for criminal activity as long as there is reasonable evidence that the conduct occurred. HANO or its Agents shall make any arrest or conviction report used as the basis for a lease termination available to the head of household to review for accuracy and relevance of the record to the proposed termination prior to a court hearing.

Lease terminations which involve drug related criminal activity or criminal activity that would threaten the health, safety, or right to peaceful enjoyment of the public housing premises by other residents or employees of HANO or its Agents are expedited by the use of a Five (5) Day Notice to Vacate provided under state law. Residents will be given due process through the court hearing provided by the eviction process. The grievance policy and procedures will not apply in these instances.

HANO or its Agents shall notify the Post Office that mail should no longer be delivered to the person who was evicted for criminal activity, including drug-related criminal activity.

### **C. RECORD KEEPING**

A written record of every termination and/or eviction shall be maintained by HANO or its Agents at the community where the family was residing, and shall contain the following information:

Name of resident, number and identification of unit occupied;

Date of the Notice of Lease Termination and any other notices required by State or local law; these notices may be on the same form and will run concurrently;

Specific reason(s) for the Notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the Notices described in detail, including documentation used to determine that criminal conduct occurred for cases of evictions for any criminal activity;

Date and method of notifying the resident;

Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions.

The HANO or its Agents will keep records for persons whose leases were terminated for any reason indefinitely.



#### **D. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS**

If HANO or its Agents determine that a family member has knowingly permitted an ineligible individual to reside in the family's unit on a permanent basis, the family's assistance will be terminated. This provision does not apply to a family if the eligibility of the ineligible individual was considered in calculating any pro-ration of assistance provided for the family.

#### **E. TERMINATIONS DUE TO OVER-INCOME STATUS**

In accordance with section 16(a) of the United States Housing Act of 1937 (42 U.S.C. 1437n(a)) ("1937 Act"), after a family's income has exceeded 120 percent of the area median income (AMI) (or a different limitation established by the Secretary) for two consecutive years, HANO or its Agents will either terminate the family's tenancy within 6 months of the second income determination or charge the family a monthly rent equal to the greater of (1) the applicable Fair Market Rent (FMR); or (2) the amount of monthly subsidy for the unit including amounts from the operating and capital fund, based on further guidance from HUD.

## Chapter 13

### Violence Against Women Act (VAWA)

The Violence Against Women Act (VAWA) protects qualified tenants, participants, and applicants, and affiliated individuals, who are victims of domestic violence, dating violence, sexual assault, or stalking, from being denied housing assistance, eviction, or termination from housing assistance based on acts of violence against them. On January 5, 2006, President Bush signed into law the Violence Against Women and Department of Justice (DOJ) Reauthorization Act of 2005 (VAWA) and on August 28, 2006, signed into law technical corrections to the Act. VAWA addresses various housing needs for victims of domestic violence and its primary objectives are to reduce violence against women and to protect, or increase the protection of, the safety and confidentiality of women who are victims of abuse. On March 7, 2013, President Obama signed into law the Violence Against Women Reauthorization Act of 2013 (VAWA 2013). VAWA 2013 expanded protections to victims of sexual assault and replaced the term “immediate family member” to “affiliated individual”.

Applicants who otherwise qualify for assistance or admission will not be denied admission on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. VAWA does not limit HANO’s authority to deny assistance to an individual or family that is not otherwise qualified or eligible for assistance.

Criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control will not be the basis for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant’s family is the victim or threatened victim of that domestic violence, dating violence, or stalking.

Incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed either as serious or repeated violations of the lease by the victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence.

Notwithstanding the foregoing, HANO may exercise its authority to terminate occupancy rights, 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 such violence who is also a tenant or lawful occupant.

Further, HANO retains its authority to terminate the tenancy of any tenant if HANO concludes that there is an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant is not terminated from assistance. VAWA does not limit HANO’s authority to deny or terminate assistance to an individual or family that is not otherwise qualified or eligible for assistance.

## **A. VAWA DOCUMENTATION**

### **Victim Documentation**

If an applicant or resident claims that the cause of an unfavorable history or lease violation is that a member of the applicant or resident family is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, HANO or its Agents will request documentation demonstrating the connection between the abuse and the unfavorable history or lease violation.

Permissible documentation can include:

- (1) HUD form 5382 which acts as certification of domestic violence, dating violence, sexual assault, or stalking against you;
- (2) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of "domestic violence," "dating violence," "sexual assault," or "stalking" in HUD's regulations at 24 CFR 5.2003.
- (3) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
- (4) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

### **Perpetrator Documentation**

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

- A signed statement 1) requesting that the perpetrator be removed from the application and 2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit or
- Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. An employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse must sign the documentation.

The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

## **Time Frame for Submitting Documentation**

Applicants and residents will have 14 business days to submit required certified documentation upon receipt of written request from HANO or its Agents. In instances of eviction, the Notice of Lease Termination will serve as the written request to provide VAWA documentation.

The 14-day deadline may be extended at HANO's discretion.

If the individual does not provide the required certification and supporting documentation within 14 business days, or within the approved extension period, HANO may proceed with denial, eviction, or termination of assistance.

If HANO can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the participant's tenancy is not terminated, HANO will bypass the standard process and proceed with the immediate termination of the family's assistance.

## **B. HANO CONFIDENTIALITY REQUIREMENTS**

All information provided to HANO regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared database nor provided to any related entity, except to the extent that the disclosure is:

- Requested or consented to by the individual in writing;
- Required for use in an eviction or termination proceeding; or
- Otherwise required by applicable law.

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, HANO will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

## **C. VAWA DEFINITIONS**

The definitions applicable to the Violence Against Women Act (VAWA) are the following:

**Domestic Violence:** The term domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

**Dating Violence:** The term dating violence means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a

consideration of the following factors:

- The length of the relationship;
- The type of relationship; and
- The frequency of interaction between the persons involved in the relationship.

**Stalking:**

- To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or
- To place under surveillance with the intent to kill, injure, harass, or intimidate another person; and
- In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

**Affiliated individual** means, with respect to a person:

- A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or
- Any individual, tenant, or lawful occupant living in the household of that individual.

**D. NOTIFICATION TO APPLICANTS AND TENANTS REGARDING PROTECTIONS UNDER VAWA**

HANO and its Agents will provide applicants and tenants with the notifications described in this section of their protections and rights under VAWA.

HANO and its Agents will include in all notices of denial a statement explaining the protection against denial provided by VAWA.

HANO and its Agents will include in all lease termination notices a statement explaining the protection against termination provided by VAWA.

HANO and its Agents acknowledge that a victim of domestic violence, dating violence, sexual assault or stalking may have an unfavorable history (i.e., a poor credit history, non-payment of rent, a record of previous damage to an apartment/Public Housing unit, a prior/current arrest record) that would warrant denial or termination under HANO's policies. Therefore, if HANO makes a determination to deny admission to an applicant family or terminate assistance to a resident family, HANO will include in its notice of denial/termination:

- A statement of the protection against denial provided by VAWA;

- A description of HANO confidentiality requirements; and
- A request that an applicant/head of household wishing to claim this protection submit to HANO documentation meeting the specifications outlined in this ACOP with a request for an informal review or hearing, whichever is applicable.

## **E. TERMINATING TENANCY OF A DOMESTIC VIOLENCE OFFENDER**

This section does not provide protection for perpetrators of domestic violence, dating violence or stalking. HANO may 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 terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant. This authority supersedes any local, State, or other Federal law to the contrary. However, if HANO chooses to exercise this authority, HANO will follow any procedures prescribed by HUD or by applicable local, State, or Federal law regarding termination of assistance.

When the actions of a participant or other family member result in a decision to terminate the family's assistance and another family member claims that the actions involve criminal acts of physical violence against family members or others, HANO will request that the victim submit the required certification and supporting documentation in accordance with the stated timeframe.

If the certification and supporting documentation are submitted within the required timeframe, or any approved extension period, HANO will terminate the offender's assistance. If the victim does not provide the certification and supporting documentation, as required, HANO will proceed with termination of the family's assistance.

If HANO can demonstrate, an actual and imminent threat to other tenants or those employed at or providing service to the property if the participant's tenancy is not terminated, HANO will bypass the standard process and proceed with the immediate termination of the family's assistance.

## **F. TRANSFERS UNDER VAWA**

In accordance with the Violence Against Women Act (VAWA), HANO allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation. The ability of HANO to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether HANO or its Agents have another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan for emergency transfers under VAWA identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan

published by the U.S. Department of Housing and Urban Development (HUD).

### **Eligibility for Emergency Transfers**

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing due to serious lease violations from incidents of domestic violence, dating violence, sexual assault, or stalking may still request an emergency transfer if they meet the eligibility requirements in this section. Tenants may not be eligible for transfer if they have serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking.

### **Emergency Transfer Request Documentation**

To request an emergency transfer, the tenant shall notify their Site Manager and submit a written request for a transfer. The Site Manager will forward this request to the HANO Asset Management Department. HANO's Asset Management Department will coordinate with all Signature Communities, third party managed communities, and HANO managed communities to identify if a suitable and safe unit is available for transfer. "Available unit" is defined as a vacant or on-notice public housing or PHA/LIHTC unit for which a residential lease has not been signed. Emergency transfers under VAWA should take precedence over all other transfers and new admissions, except in the event of a reasonable accommodation for a resident or applicant needing a UFAS unit.

HANO will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A certified statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under HANO's program; OR
2. A certified statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.
3. HANO or its Agents, at their discretion, may ask for documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking, if this has not already been provided by the victim.

### **Confidentiality**

HANO and its Agents will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer,

unless the tenant gives HP written permission to release the information on a time limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence Against Women Act for more information about HANO's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

### **Emergency Transfer Timing and Availability**

HANO or its Agents cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. HANO will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. HANO may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the tenant who needs an emergency transfer is not eligible for any unit that is available and deemed safe, HANO will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, HANO will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

### **Removing the Abuser or Perpetrator from the Household**

If the abuser or perpetrator of the domestic violence, dating violence, sexual assault, or stalking is a member of the victim's household, HANO or its Agents may divide (bifurcate) the household's lease in order to evict the individual or terminate the assistance of the individual who has engaged in the criminal activity directly relating to the occurrence(s). If HANO or its Agents chooses to remove the abuser or perpetrator, it will not take away the rights of the remaining and eligible tenants to the unit or punish the remaining tenants. HANO and its Agents will follow all Federal, State, and local eviction procedures.

### **Safety and Security of Tenants**

Before processing the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).



Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

A local resource for domestic violence victims is the New Orleans Family Justice Center who can be contacted at their 24 Hr. Crisis Hotline **(504) 866-9554** or you may contact the LA Statewide Hotline: **1-800 411-1333**.

## Chapter 14

### COMPLAINTS, GRIEVANCES AND APPEALS

#### Introduction

Residents of federally-subsidized Public Housing and PH/LIHTC units are encouraged to bring to the attention of the Site Manager, at the community in which they reside, any issues which they feel adversely affect their tenancy. Management will make every effort to resolve these disputes through conferences or informal meetings with the resident at the site office. If the issue cannot be resolved to the resident's satisfaction, and management's action, or failure to act, affects the resident's rights or status, the resident, head, or co-head of the household may invoke the following procedures in which to have the dispute settled.

The Housing Authority of New Orleans (HANO) and its Agents provide residents of federally-subsidized Public Housing and PH/LIHTC units with the opportunity of an effective and efficient hearing of a grievance to settle a dispute which the resident may have with respect to HANO's or its Agents action, or failure to act, in accordance with the Residential Lease Agreement or other HANO policies, rules, and regulations, provided that such action or failure to act adversely affects the individual resident's rights, duties, welfare, or status. This policy shall be provided to all Residents upon execution of a Residential Lease Agreement and shall be incorporated as part thereof.

This policy shall apply to all individual grievances unless otherwise stated herein. This policy does not in any way prohibit any individual resident from seeking other remedies, which may be available under federal, state and/or local laws.

#### Disputes not subject to the Grievance Policy

The U.S. Department of Housing and Urban Development (HUD) has issued a due process determination for eviction proceedings for the State of Louisiana. According to state law, Louisiana residents are given the opportunity for a hearing in a court before eviction from a dwelling unit, which provides the basic elements of due process.

Therefore, this Grievance Policy shall not apply to any termination of tenancy or eviction due to the following lease violations:

- any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by residents, HANO employees, or its Agents.
- any drug-related criminal activity on or off such premises
- violent criminal activity on or off the premises
- violations of the VAWA Act
- any activity resulting in a felony conviction of any member of the household

The Grievance Policy shall not be applicable to disputes between residents not involving HANO, its Agents, or to class action disputes. Furthermore, the Grievance Policy is not a forum for initiating or negotiating policy changes between a group or groups of residents and HANO's Board of Commissioners. Therefore, individuals acting as Hearing Officers in accordance with the procedures outlined below will have no authority to change any provision of the Residential Lease Agreement, the Grievance Policy or any other related operational policy of HANO or its Agents.

When HANO or its Agents reject an applicant for their public housing programs, HANO or its Agents will provide an informal hearing which is not a grievance hearing. The purpose of the informal hearing is to permit the applicant to discuss reasons for rejection, present contrary evidence, additional proof of eligibility, and claim mitigating circumstances if available. The Grievance Policy shall not apply to applicants to PH or PH/LIHTC housing.

### **Signature Communities Grievance Procedures**

Signature Communities that have separate grievance hearing procedures in place in a management plan approved by HUD and/or HANO must be in compliance with all applicable federal, state, or local law, and HUD regulations or requirements. Such separate policies and procedures must be made a part of the lease agreement as addendums for residents of the PH or PH/LIHTC units at their communities, and take precedence over the procedures in the ACOP for residents of such units. Signature Communities that do not have separate grievance hearing procedures that have been approved by HUD or HANO must follow the procedures in the ACOP. If a Signature Community chooses to make any changes to its grievance policy or procedures, it must submit the proposed changes to HANO for review and approval. Following approval by HANO, the Signature Community will provide at least thirty (30) days prior written notice to Lessees and Lessee organizations of the proposed changes with an opportunity to submit written comments regarding the proposed changes.

## **IMPLEMENTING THE GRIEVANCE POLICY:**

### **A. INFORMAL SETTLEMENT OF GRIEVANCES**

The first required step in the grievance process is to attempt an informal settlement. Grievances always originate with a resident, who may present the grievance initially either orally or in writing. Grievances shall be accepted at the site's management office. The resident must file the grievance within ten (10) business days of the grievable event. If the grievance involves allegations of discrimination or harassment against staff, the resident shall submit the grievance to the next level of supervision or to the Director of the Asset Management Department.

Grievances received by the Legal Department that have not been informally reviewed by management shall be referred to the site's management office for review and the resident notified of the referral. This requirement may be waived if the resident is able to show good cause for by-passing this step in the grievance policy.

HANO shall contact the resident within ten (10) business days of receipt of the grievance, to meet and discuss the issue informally and to attempt to settle the grievance if possible. A summary of such discussion shall be prepared within ten (10) days of the informal hearing, and one (1) copy shall be given to the tenant and one (1) retained in the tenant's file. The summary shall specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons therefor.

If the resident is not satisfied with the outcome of the informal review, he or she may submit a written request for a formal grievance hearing to the site's management office within ten (10) business days of the date of receiving the results of the informal review.

If the resident does not request a hearing within ten (10) business days, HANO's disposition of the grievance under the informal settlement of grievances shall become final. The resident's failure to request a hearing shall not constitute a waiver by the resident of his or her right to contest the Housing Authority's action in any subsequent judicial proceeding.

## **B. HEARING OFFICER AND PANEL**

The formal grievance hearing shall be conducted by an impartial, three (3) person panel appointed by HANO. The panel shall consist of 1) a Hearing Officer, which may be a HANO employee or contracted independent hearing officer, 2) a HANO employee, and 3) a current public housing resident. HANO shall consult with the Resident Advisory Board to obtain three nominees of public housing residents to serve on the hearing panel. The resident selected for the panel cannot be a resident at the community where the complainant resides. No person who made or approved the action being grieved or who has some interest in the matter under review, or who appears to lack impartiality, shall be appointed.

## **C. GRIEVANCE HEARING**

The resident who has requested the hearing shall be afforded a fair hearing which shall include:

1. the opportunity to examine before the hearing any HANO documents, including records and regulations related to the adverse action. The resident shall be allowed to copy, at the resident's expense, any document(s) available. If HANO does not make any available and requested document available for examination, then HANO may not rely on such document at the hearing;
2. the right to be represented by counsel or other person chosen by the resident;
3. a private hearing unless the resident requests a public hearing;
4. the right to present evidence and arguments in support of the complaint, to controvert evidence relied upon by HANO, and to confront and cross-examine all HANO witnesses; and

5. a decision based upon the facts presented at the hearing.

A request to examine any Housing Authority documents, including records and regulations related to the adverse action, must be received no later than 3 business days prior to the scheduled grievance hearing. An appointment to examine the documents shall be scheduled with the Property Manager for a time convenient to both parties. The documents shall be made available at the management office. No resident will be allowed to “borrow” such documents for review or to otherwise take such documents out of the management office. Requested copies of any documents shall be provided as soon as is reasonably possible. Payment for copies shall be due upon receipt.

The rules of evidence of a judicial proceeding shall not apply in grievance hearings and both oral and written evidence will be permitted. All hearing participants must conduct themselves in an orderly fashion. The hearing officer may exclude any disorderly party from the proceedings and grant or deny relief as appropriate. All hearings will be tape recorded. The resident may request, in advance, a recorded transcript of the hearing. Such transcripts shall be made available at the resident’s expense.

The Housing Authority shall provide reasonable accommodations to allow persons with disabilities to participate in the hearing:

1. Reasonable accommodation may include, but shall not be limited to, a qualified sign language interpreter, reader, accessible location, or attendant.
2. For residents who are visually impaired and have given advanced notice to HANO or its Agents of such impairment, notices required under this policy and procedure shall be in an accessible format.

#### **D. FAILURE TO APPEAR**

If the resident or HANO/its Agents fail to appear at a scheduled hearing, without prior notice or explanation, the hearing officer shall dismiss the hearing and declare default, denying the relief requested by the party not appearing. With prior notice or explanation, the hearing officer may make a determination to postpone the hearing for no more than five (5) business days.

#### **E. GRIEVANCE HEARING DECISION**

The Hearing Officer shall render the final hearing decision, with consultation from the panel members. The hearing officer shall issue a written decision within 10 business days following the hearing. The decision shall state the reason(s) for the hearing officer’s decision. The decision of the hearing officer shall be final and HANO/its Agents shall take no actions inconsistent with the decision unless the HANO’s Board of Commissioners determines, and promptly notifies the resident of its determination, that:

1. the grievance does not concern HANO/its Agents' action or failure to act in accordance with or involving the resident's lease or HANO regulations, which adversely affect the resident's rights, duties, TANF, or status; or
2. the decision of the hearing officer is contrary to applicable Federal, State, or local law, or HUD regulations or requirements.

A decision by the hearing officer or Board of Commissioners in favor of the HANO/its Agents shall not constitute a waiver of, nor affect in any manner, any rights the resident may have in any later judicial proceedings.

HANO or its Agents will maintain a log of hearing officer decisions and make the log available to the hearing officer, prospective complainants, and their representatives. The log will include the date of the hearing decision, the general reason for the grievance hearing (such as failure to pay rent, community service non-compliance, etc.), and whether the decision was in the favor of the resident or HANO/its Agents.

## Chapter 15

### FAMILY DEBTS TO THE HOUSING AUTHORITY OF NEW ORLEANS

#### A. INTRODUCTION

This Chapter describes HANO's policies for the recovery of monies that have been underpaid by families. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is HANO's policy to meet the informational needs of families, and to communicate the program rules in order to avoid family debts. Before a debt is assessed against a family, the file must contain documentation to support HANO's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the family or other interested parties. HANO's Grievance policy applies. Agents of Signatures Communities may have a different policy in plus for the recovery of monies. The policy must be reviewed and approved by HANO.

When families owe money to the Housing Authority, HANO or its Agents will make every effort to collect it. HANO or its Agents will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Payment agreements
- Collection agencies
- Credit bureaus
- Income tax set-off programs

#### B. PAYMENT AGREEMENT FOR FAMILIES

A Payment Agreement as used in this Plan is a document entered into between HANO or its Agents and a resident who owes a debt to HANO. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to HANO upon default of the agreement. Repayment agreements are defined in detail in HANO's Rent Collection and Eviction policy.

##### **Late Payments**

A payment will be considered to be in arrears if:

The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's repayment agreement is in arrears, HANO or its Agents will:

Require the family to pay the balance in full;

Pursue civil collection of the balance due.

Terminate tenancy.

If the family requests a transfer to another unit and has a repayment agreement in place and the repayment agreement is not in arrears:

The family will be permitted to move.

There are circumstances in which HANO or its Agents will not enter into a repayment agreement. They are:

If the family already has a repayment agreement in place;

If HANO or its Agents determine that, the family has committed program fraud.

### **Guidelines for Payment Agreements**

Payment agreements will be executed between HANO or its Agents and the head of household.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Site Manager.

No transfer will be approved until the debt is paid in full unless the transfer is the result of Emergency transfers as defined in the Transfer policy or natural disaster.

### **Additional Monies Owed**

If the family has a payment agreement in place and incurs an additional debt to HANO or its Agents:

HANO or its Agents will not enter into more than one payment agreement at a time with the same family.

## **C. DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION**

HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead.

### **Family Error/Late Reporting**

Families who owe money to HANO or its Agents due to the family's failure to report increases in income will be required to repay the full amount (the sum) within a twelve-month period. If the family pays the amount in full within this time period, HANO or its Agents will continue assistance to the family.



## **Program Fraud**

Families who owe money to HANO or its Agents due to program fraud will be required to repay the amount in full within 30 days or enter into a repayment agreement, paying 50% of the balance and repay the remaining balance in addition to the current within six (6) months. During this repayment, the family is still eligible; HANO or its Agents will continue assistance to the family.

If a family moves out as a result of program fraud, the case will be referred to the Legal Department. Where appropriate, HANO or its Agents will refer the case for criminal prosecution.

### **D. WRITING OFF DEBTS**

Agents of Signatures Communities may have a different policy in the management of writing off debts. If so, the policy must be reviewed and approved by HANO or its Agents.

Debts will be written off if the debtor's whereabouts are unknown and collection efforts have failed or the debtor is deceased.

### **D. HIERARCHY OF PAYMENTS**

If a family owes amounts to HANO or the privately owned/managed site including past debt and tenant rent, as a condition of continued occupancy, any payment made to HANO will be applied to past due debts in the following order, unless the tenant specifies that payments should be imputed to a particular debt:

- 1) Rent
- 2) Late charge
- 3) Security deposit
- 4) Various damage charges
- 5) Pet deposit
- 6) NSF charge
- 7) Excess utilities
- 8) Retro rent.

Please note that the request to impute payments to a particular debt must be in writing.

## Chapter 16

### COMMUNITY SERVICE and SELF-SUFFICIENCY

#### A. IMPORTANT NOTICE

The Community Service and Self-Sufficiency requirements of the U.S. Department of Housing and Urban Development (HUD) and HANO have been amended to include a Working Requirement as a part of the self-sufficiency program. There are several exemptions under the law for adult residents who are unable to participate in either the Community Service and/or the Self-Sufficiency requirements. The exemptions are coded at §960.601, and are as follows:

*Exempt individual.* An adult who:

(1) Is 62 years or older;

(2)

(i) Is a blind or disabled individual, as defined under 216(i)(1) or 1614 of the Social Security Act ([42 U.S.C. 416\(i\)\(1\)](#); 1382c), and who certifies that because of this disability she or he is unable to comply with the service provisions of this subpart, or

(ii) Is a primary caretaker of such individual;

(3) Is engaged in work activities;

(4) Meets the requirements for being exempted from having to engage in a work activity under the State program funded under part A of title IV of the Social Security Act ([42 U.S.C. 601 et seq.](#)) or under any other TANF program of the State in which the PHA is located, including a State-administered TANF-to-work program; or

(5) Is a member of a family receiving assistance, benefits or services under a State program funded under part A of title IV of the Social Security Act ([42 U.S.C. 601 et seq.](#)) or under any other TANF program of the State in which the PHA is located, including a State-administered TANF-to-work program, and has not been found by the State or other administering entity to be in noncompliance with such a program.

In order for an individual to be exempt from the community service and/or self-sufficiency requirements because he/she is "engaged in work activities", the person must be participating in an activity that meets one of the following definitions of "work activity" in section 407(d) of the Social Security Act (42 U.S.C. 607(d)):

- Subsidized private-sector employment
- Work experience (including working associated with the Refurbishing of publicly assisted housing) if sufficient private sector employment is not available
- HANO Approved job-training
- Job-search and job-readiness assistance
- Vocational educational training (not exceed 12 months)
- Job-skills training directly related to employment

- Education directly related to employment in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalency, in the case of a recipient who has not completed secondary school or received such a certificate

HUD strongly encouraged (PHA's) to consider a minimum 30 hours per week to meet the work activity as described in Section 407(d) of the Social Security Act, and implementing regulations 45 CFR Section 261.31(1)(a)(1).

The Community Service requirement is a monthly contribution of 8 hours per month or 96 hours for the year that residents must participate unless otherwise exempted. Participation in the self-sufficiency program will be encouraged for each adult family member to contribute to some form of work activity.

HANO and Agents Clients Service staff will conduct monthly meetings or arrange for outside contractors to provide life skill training courses that will provide basic skills training, English and literacy proficiency, financial and household management techniques and make referrals to assist with substance abuse and program necessary for residents to become ready to work. It is HANO's ultimate goal for residents residing in HANO's conventional and Signature Communities to participate in programs implemented by HANO and its Agent that assist and guide residents towards self-sufficiency through educational achievements and continuous employment after the date of placement and throughout their continued occupancy.

It must be apparent that employment is of a continuous, as opposed to a temporary nature, and the head of household and all adult members must anticipate such continuous employment after the date of placement. Self-employed individuals could qualify for this preference if the head of the household was able to demonstrate self-employment for, at least, three (3) months immediately prior to the date of the placement.

## **B. NON-RENEWAL OF LEASE FOR NON-COMPLIANCE WITH THE COMMUNITY SERVICE REQUIREMENT**

In the event that Resident household does not meet the requirement of Community and Self-Sufficiency Requirements, the Resident will be notified in writing of the non-compliance. The resident will still have the opportunity to correct the non-compliance as followed:

The Resident must provide documentation of compliance Community Service requirement

Noncompliance with the community service is a violation of this policy and is grounds for non-renewal of the lease at the end of a 12-month lease term, but not for termination of tenancy during the course of the 12-month lease term. However, non-renewal of lease is ultimately grounds for eviction. If the Resident fails to comply with the request for additional documentation or the resident fails to request a deferment within the

timeline set forth in the notice of non-compliance, the Site Manager may elect not to renew the Resident's lease.

## GLOSSARY

### I. GLOSSARY OF HOUSING TERMS

**ACCESSIBLE DWELLING UNITS.** When used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, or altered, can be approached, entered, and used by individuals with physical handicaps. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR 8.32 & 40, (the Uniform Federal Accessibility Standards) is "accessible" within the meaning of this paragraph.

**ACCESSIBLE FACILITY.** All or any portion of a facility other than an individual dwelling unit used by individuals with physical handicaps.

**ACCESSIBLE ROUTE.** For persons with a mobility impairment, a continuous, unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards (UFAC). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility.

**ADAPTABILITY.** Ability to change certain elements in a dwelling unit to accommodate the needs of handicapped and non-handicapped persons; or ability to meet the needs of persons with different types and degrees of disability.

**ADMISSION.** Admission to the program is the effective date of the lease. The point at which a family becomes a resident.

**AGENTS.** An entity authorized to act on behalf of the Owner.

**DESIGNATED HOUSING PLAN.** The plan submitted by the PHA and approved by HUD under which the PHA is permitted to designate a building, or portion of a building, for occupancy by Elderly Families or Disabled Families.

**ANNUAL INCOME.** See section (TERMS USED IN DETERMINING RENT)

**APPLICANT** (or applicant family). A family that has applied for admission to a program, but is not yet a participant in the program.

**APPLICABLE PUBLIC HOUSING REQUIREMENTS.** All requirements applicable to public housing, including, but not limited to the ACT, HUD regulations thereunder (and to the extent applicable, any HUD-approved waivers of regulatory requirements), the Mixed Finance ACC Amendment, HUD Notices, the Agreement Not to Alienate, the amended ACOP, the HOPE VI Grant Agreement, all written policies and procedures of HUD consistent with the Act and all applicable Federal statutory, regulatory and executive order requirements, as those requirements may be amended from time.

**"AS-PAID" STATES.** States where the TANF agency adjusts the shelter and utility component of the TANF grant in accordance with actual housing costs.

**ASSETS.** (See Net Family Assets.)

**ASSISTANCE ANIMAL** is an animal that is needed as a reasonable accommodation for persons with disabilities. An assistance animal is not considered a "pet" and thus, is not subject to the PHA's pet policy. Assistance animals are animals that work, provide assistance, perform

tasks for the benefit of a person with a disability or provide emotional support that alleviates one or more identified symptoms or effects of a person's disability.

**AUXILIARY AIDS.** Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs and activities.

**CEILING RENT.** An amount that reflects the reasonable market value of the housing unit, but not less than the sum of the monthly per-unit operating costs and a deposit to a replacement reserve. The family pays the lower of the ceiling rent or the formula Resident rent.

**CO-HEAD.** An individual in the household who is equally responsible for the lease with the Head of Household. A family may have a Co-head or Spouse, but not both. A co-head never qualifies as a dependent.

**COVERED FAMILIES.** The statutory term "covered families" designates the universe of families who are required to participate in a TANF agency economic self-sufficiency program and may, therefore, be the subject of a TANF benefit sanction for noncompliance with this obligation. "Covered families" means families who receive TANF or other public assistance benefits from a State or other public 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 the assistance.

**CRIMINAL ACTIVITY** such as crimes of physical violence to persons or community and other criminal acts including drug-related criminal activity that would adversely affect the health, safety, or TANF of other residents or staff or cause damage to the unit or the development

**DEPENDENT.** A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or older.

**DESIGNATED FAMILY.** The category of family for whom the PHA elects to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992 housing Act. (24 CFR 945.105)

**DISABILITY ASSISTANCE EXPENSE.** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and or auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

**DISABLED FAMILY.** A family whose head, spouse, or sole member is a person with disabilities. A disabled family may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides

**DISABLED PERSON. See Person with Disabilities.**

**DISABLED FAMILY.** A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together or one or more persons with disabilities living with one or more live-in aides.

**DISALLOWANCE.** Exclusion from annual income.

**DISPLACED FAMILY.** A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster relief laws.

**DOMICILE.** The legal residence of the household head or spouse as determined in accordance with State and local law.

**DRUG-RELATED CRIMINAL ACTIVITY.** Term means: Drug-trafficking; or Illegal use, or possession for personal use of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

**DRUG TRAFFICKING.** The illegal manufacture, sale, distribution or the possession with intent to manufacture, sell, or distribute a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

**ECONOMIC SELF-SUFFICIENCY PROGRAM.** Any program designed to encourage, assist, train, or facilitate the economic independence of assisted families or to provide work for such families. Economic self-sufficiency programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, any other program necessary to ready a participant to work (such as: substance abuse or mental health treatment. Economic self-sufficiency program includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). See the definition of work activities at Sec. 5.603(c). The new definition of the term "economic self-sufficiency program" is used in the following regulatory provisions, pursuant to the Public Housing Reform Act: family income includes TANF benefits reduced because of family failure to comply with TANF agency requirements to participate in an economic self-sufficiency program; and the requirement for public housing residents to participate in an economic self-sufficiency program or other eligible activities.

**ENTERPRISE INCOME VERIFICATION.**

**ELDERLY FAMILY.** A family whose head or spouse or whose sole member is at least 62 years, or two or more persons who are at least 62 years of age or a disabled person. It may include two or more elderly, disabled persons living together or one or more such persons living with one or more live-in aides.

**ELDERLY PERSON.** A person who is at least 62 years old.

**ELIGIBLE FAMILY.** (Family). A family is defined by the PHA in the Admission and Continued Occupancy Plan.

**EXCEPTIONAL MEDICAL OR OTHER EXPENSES.** Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889, which exceeded 25% of the Annual Income. It is no longer used.

**EXCESS MEDICAL EXPENSES.** Any medical expenses incurred by elderly families only in excess of 3% of Annual Income, which are not reimbursable from any other source.

**EXTREMELY LOW-INCOME FAMILY.** A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

**EXTENDED USE AGREEMENT.** An Extended Use Agreement is a Restrictive Covenant that must be recorded in the appropriate court in the locality where the community is located. This Agreement must stay in place for a minimum of 30 years with very limited exceptions). It is the primary enforcement mechanism for project characteristic elected by the owner in the tax credit application. The Extended Use Agreement is an agreement between the Partnership and the HFA; the IRS is not a part to the Agreement.

**FAMILY.** The applicant must qualify as a family as defined by the PHA.

**FAMILY OF VETERAN OR SERVICEPERSON.** A family is a "family of veteran or serviceperson" when:

The veteran or serviceperson (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.

The veteran or serviceperson, unless deceased, is living with the family or is only temporarily absent unless he/she was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support he/she is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that he/she was a family member at the time of hospitalization and there remain in the family at least two related persons.

**FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM).** The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

**FLAT RENT.** Rent for a public housing dwelling unit that is based on the market rent. The market rent is the rent charged for comparable units in the private, unassisted rental market at which the PHA could lease the public housing unit after preparation for occupancy.

**FLAT RENT SIGNATURE COMMUNITIES.** The maximum allowed rent under Tax Credit Requirements, the Extended Use Agreement and Louisiana Housing Corporation restrictions.

**FOSTER CHILD CARE PAYMENT.** Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

**FULL-TIME STUDENT.** A person who is attending school or vocational training on a full-time basis.

**FULL-TIME STUDENT RULE (SECTION 42).** A unit shall not fail to be treated as a low-income unit because it is occupied by an individual who is a) a student and receiving assistance under title IV of the Social Security Act or b) enrolled in a Job Training Partnership Act or under other similar Federal, State or local laws or c) single parent and their children and such parents and children are not dependents of another individual or d) married and file a joint return.

**HANDICAPPED ASSISTANCE EXPENSES.** Anticipated costs for care attendants and auxiliary apparatus for handicapped or disabled family members, which enable a family member (including the handicapped family member) to work.

**HANDICAPPED PERSON.** [Referred to as a Person with a Disability]. A person having a physical or mental impairment, which is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that such ability, could be improved by more suitable housing conditions.

**HEAD OF HOUSEHOLD.** The person who assumes legal and financial responsibility for the household and is listed on the application as head.

**HOUSING AGENCY.** A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "IHA" mean the same thing.)

**HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.** The Act in which the U.S. Housing Act of 1937 was recodified, and which added the Section 8 Programs.

**HOUSING ASSISTANCE PLAN.** A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

**HOUSING QUALITY STANDARDS (HQS).** The HUD minimum quality standards for housing assisted under the Public Housing and Section 8 programs.

**HUD.** The Department of Housing and Urban Development or its designee.

**HUD REQUIREMENTS.** HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

**HURRA.** The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most of the 1984 HUD Regulation changes to the definition of income, allowances, and rent calculations.

**IMPUTED ASSET.** Asset disposed of for less than Fair Market Value during two years preceding examination or recertification.

**IMPUTED INCOME.** HUD passbook rate times the total cash value of assets, when assets exceed \$5,000.

**IMPUTED TANF INCOME.** The amount of annual income not actually received by a family, as a result of a specified TANF benefit reduction, that is nonetheless included in the family's annual income. This amount is included in family annual income and, therefore, reflected in the family rental contribution based on this income.

**INCOME.** Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

**INCOME-BASED RENT.** The Resident rent paid to the PHA that is based on family income and the PHA rental policies. The PHA uses a percentage of family income or some other reasonable system to set income-based rents. The PHA has broad flexibility in deciding how to set income-based rent for its residents. However, the income-based Resident rent plus the PHA's allowance for Resident paid utilities may not exceed the "total Resident payment" as determined by a statutory formula.

**INCOME FOR ELIGIBILITY.** Annual Income.

**INCOME TARGETING.** The HUD admissions requirement that PHA's not admit less than the number required by law of families whose income does not exceed 30% of the area median income in a fiscal year.

**INDIAN.** Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

**INDIAN HOUSING AUTHORITY (IHA).** A housing agency either established by exercise of the power of self-government of an Indian Tribe, independent of State law, or by operation of State law providing specifically for housing authorities for Indians.

**INTEREST REDUCTION SUBSIDIES.** The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.



**INVOLUNTARILY DISPLACED PERSON.** Involuntarily Displaced Applicants are applicants who meet the HUD definition for the local preference, formerly known as a federal preference.

**LANDLORD.** Either the legal owner of the community or the owner's representative or managing Agents as designated by the owner.

**LEASE.** A written agreement between an owner and an eligible family for the leasing of a housing unit.

**LIVE-IN AIDE.** A person who resides with an elderly person or disabled person and who:

Is determined to be essential to the care and well-being of the person.

Is not obligated for the support of the person.

Would not be living in the unit except to provide necessary supportive services.

**LOCAL PREFERENCE.** A preference used by the PHA to select among applicant families without regard to their date and time of application.

**LOW-INCOME FAMILY.** This definition replaces a previous statutory reference. Generally, "low-income" designates a family whose income does not exceed 80 percent of area median income, with certain adjustments.

**MARKET RENT.** The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

**MEDICAL EXPENSES.** Those total medical expenses anticipated during the period for which Annual Income is computed, and which is not covered by insurance. (Only Elderly Families qualify) The allowances are applied when medical expenses exceed 3% of Annual Income.

**MINIMUM RENT.** An amount established by the PHA between zero and \$50.00.

**MINOR.** A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

**MIXED-FINANCE ACC AMENDMENT.** "An amendment between HANO, the owner entity of a Signature Community, and HUD to the Consolidated Annual Contributions Contract between HANO and HUD dated December 12, 1996, applicable to a specific Signature Community."

**MONTHLY ADJUSTED INCOME.** 1/12 of the Annual Income after Allowances.

**MONTHLY INCOME.** 1/12 of the Annual Income before allowances.

**NEAR-ELDERLY FAMILY.** A family whose head, spouse, or sole member is at least 55, but less than 62 years of age. The term includes two or more near-elderly persons living together and one or more such persons living with one or more live-in aides.

**NET FAMILY ASSETS.** The net cash value of equity in savings, checking, IRA and Keogh accounts, real community, stocks, bonds, and other forms of capital investment. The value of necessary items of personal community such as furniture and automobiles is excluded from the definition.

**PHA/LIHTC.** A unit that is restricted to occupancy by a family that meets the qualifications for occupancy by a family that meets the qualification for occupancy for Public Housing and for the Tax Credit Requirements for each Signature Communities.

**PUBLIC HOUSING MAXIMUM RENT.** Public housing maximum rent shall be determined by HUD using the 95th percentile rent for the housing authority. The result is the maximum subsidy for which the family could qualify if all members were eligible

**OCCUPANCY STANDARDS. Also known as [Now referred to as Subsidy Standards]** Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

**OPERATING AGREEMENT.** An agreement between members or partners of an owner entity of a Signature Community that sets forth the financial and management rights and duties of the members or partners of the owner entity, in the form approved as an evidentiary document by HUD, as it may be amended subject to any approvals required thereunder, and including exhibits thereto applicable to a specific Signature Community."

**REGULATORY OPERATING AGREEMENT.** A Regulatory and Operating Agreement between HANO and the owner of a Signature Community, in the form approved as an evidentiary document by HUD, as it may be amended subject to any approvals required thereunder."

**PARTICIPANT.** A family that has been admitted to the PHA program, and is currently assisted in the program.

### **PERSON WITH DISABILITIES**

1. A person who has a disability, as defined in 42 U. S. C. 423, and is determined, under HUD regulations, to have a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.
2. A person who has a developmental disability as defined in 42 U.S.C. 6001.
3. An "individual with handicaps", as defined in 24 CFR 8.3, for purposes of reasonable accommodation and program accessibility for persons with disabilities
4. Does not exclude persons who have AIDS or conditions arising from AIDS
5. Does not include a person whose disability is based solely on any drug or alcohol dependence (for low income housing eligibility purposes)

**PREMISES.** The building or complex in which the dwelling unit is located including common areas and grounds.

**PREVIOUSLY UNEMPLOYED.** Includes a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

**PUBLIC ASSISTANCE.** TANF or other payments to families or individuals based on need, which are made under programs, funded, separately or jointly, by Federal, state, or local governments.

**PUBLIC HOUSING AGENCY (PHA).** A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "PHA" mean the same thing.)

**QUALIFIED FAMILY.** A family residing in public housing whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment; or increased earnings by a family member during participation in any economic self-sufficiency or on the job training program; or new employment or increased earnings of a family member, during or within 6 months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local TANF agency and TANF to Work programs. TANF includes income and benefits & services such as one-time

payments, wage subsidies & transportation assistance, as long as the total amount over a 6-month period is at least \$500.

**QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998.** The Act, which amended the U.S. Housing Act of 1937 and is known as the Public Housing Reform Bill. The Act is directed at revitalizing and improving HUD's Public Housing and Section 8 assistance programs.

**RECERTIFICATION.** Sometimes called recertification. The process of securing documentation of total family income used to determine the rent the resident will pay for the next 12 months if no interim changes are reported by the family.

**RECERTIFICATION (Section 42).** Unless granted a waiver by the IRS, every low-income resident must be recertified on an annual basis. In the following manner: HFA guidance must be followed; the same verification procedures used at move-in must be utilized; if resident has given notice or is in the process of being evicted, recertification is not required; if the resident does not cooperate in the process, move to terminate lease. Families, who selected Flat Rent under PHA regulations, must also recertify annually.

**REGULATORY OPERATING AGREEMENT.** Agreement between HANO and the owner of a Signature Community, in the form approved as an evidentiary document by HUD, as it may be amended subject to any approvals required thereunder."

**REMAINING MEMBER OF RESIDENT FAMILY.** Person left in assisted housing after other family members have left and become unassisted.

**RESIDENCY PREFERENCE.** A local preference for admission of persons who reside in a specified geographic area.

**RESPONSIBLE ENTITY.** For the public housing, Section 8 Resident-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

**SECRETARY.** The Secretary of Housing and Urban Development.

**SECURITY DEPOSIT.** A dollar amount, which can be collected from the family by the owner upon termination of the lease and applied to unpaid rent, damages or other amounts, owed to the owner under the lease according to State or local law.

**SERVICEPERSON.** A person in the active military or naval service (including the active reserve) of the United States.

**SIGNATURE COMMUNITIES** or Mixed-Income Community. State and local governments have developed incentive programs and initiatives to promote mixed-income housing. The U.S. Department of Housing and Urban Development (HUD) has provided support for public housing authorities to de-concentrate traditional public housing in favor of the development of mixed-income housing. In addition, HUD funding Investment Partnerships Program can also be a valuable resource for states and local jurisdictions to finance mixed-income housing initiatives, or to develop, design and implement new mixed-income housing programs that address local housing needs. Currently, Harmony Oaks, Marrero Commons, Bienville Basin, Faubourg Lafitte, Columbia Parc, Guste I and III, Fischer I and III, The Estates (Abundance Square, Treasure Village, Savoy I, Savoy II), and River Garden I and II are examples of mixed income or Signature Properties.

**SINGLE PERSON.** A person living alone or intending to live alone who is not disabled, elderly, or displaced or the remaining member of a resident family.

**SPECIFIED TANF BENEFIT REDUCTION.** Those reductions of TANF agency benefits (for a

covered family) that may not result in a reduction of the family rental contribution. "Specified TANF benefit reduction" means a reduction of TANF benefits by the TANF agency, in whole or in part, for a family member, as determined by the TANF agency, because of fraud by a family member in connection with the TANF program; or because of TANF agency sanction against a family member for noncompliance with a TANF agency requirement to participate in an economic self-sufficiency program.

**SPOUSE.** The marriage partner of the head of the household.

**SUBSIDIZED PROJECT.** A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association), which receives the benefit of subsidy in the form of:

Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or

Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or

Direct loans pursuant to Section 202 of the Housing Act of 1959; or

Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;

Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;

A Public Housing Project.

**SUBSIDY STANDARDS.** Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

**RESIDENT.** (Synonymous with Resident) The person or a person who executes the lease and leases the dwelling unit.

**TAX CREDIT REQUIREMENTS.** All federal and state requirements in connection with the Project's eligibility to receive low-income housing tax credits in accordance with the terms and provisions of the Operating Agreement pursuant to Section 42 of the IRS Code, the regulations promulgated thereunder, applicable policies, procedures and administrative rules of the Internal Revenue Service and LHFA, the Credit Reservation or Credit Allocation (as defined in the Operating Agreement) and the Extended Use Agreement (as defined in the Operating Agreement).

**RESIDENT RENT.** The amount payable monthly by the family as rent to the PHA.

**TOTAL RESIDENT PAYMENT (TTP).** The total amount the HUD rent formula requires the resident to pay toward rent and utilities.

**UNIT/HOUSING UNIT.** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero bedrooms to six bedrooms.

**UTILITIES.** Utilities mean water, electricity, gas, other heating, and refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

**UTILITY ALLOWANCE.** The PHA's estimate of the average monthly utility bills for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. The utility allowance will vary by unit size and type of utilities.

**UTILITY ALLOWANCE (SECTION 42)** Resident must be given an allowance, fro any utilities that they are required to pay and that allowance must be deducted from rent. If the allowance changes and the gross rent calculation exceed the maximum allowable, rents must be reduce within 90 days of the increase in the allowance.

**UTILITY REIMBURSEMENT PAYMENT.** The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Resident Payment for the family occupying the unit.

**VERY LOW INCOME FAMILY.** A Low-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area based on its finding that such variations are necessary because of unusually high or low family incomes.

**VETERAN.** A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released there from under conditions other than dishonorable.

**VIOLENT CRIMINAL ACTIVITY.** Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or community of another.

**WAITING LIST.** A list of families organized according to HUD regulations and PHA policy that are waiting for subsidy to become available.

**TANFTANF.** TANF or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments. "TANFTANF" means income assistance from Federal or State TANF programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs.

The definition borrows from the Department of Health and Human Services' TANF definition of "assistance" and excludes nonrecurring short-term benefits designed to address individual crises. For FSS purposes, the following do not constitute TANFTANF food stamps; emergency rental and utilities assistance; and SSI, SSDI, and Social Security.

## **II. TERMS USED IN DETERMINING RENT**

### **ANNUAL INCOME (24 CFR 5.609)**

Annual income in now defined as all amounts, monetary or not which go to or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member, and are based on, at the time of admission or recertification actual income being received (project forward from a 12 month period) or past actual income received or earn within the last 12 months of determination date, as HUD may prescribe in applicable administration instructions when:

- A. The family reports little or no income
- B. Past processing entity is unable to determine annual income due to fluctuations in income (e.g., seasonal or cyclical income).

Annual income also means amounts derived (during 12 month period) from assets to which any member of the family has access.

Notwithstanding the definition below, annual income will be calculated consistent with the Tax Credit Requirements for PHA/LIHTC units at the Signatures Communities. This includes net

income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member for the 12 month period following the effective date of initial determination or recertification of income. It does not include income that is temporary, non-recurring, or sporadic as defined in this section, or income that is specifically excluded by other federal statute.

Annual income includes:

The full amount before any payroll deductions, of wages and salaries, overtime pay, commissions' fees, tips and bonuses, and other compensation for personal services.

The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business.

Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business.

Interest, dividends, and other net income of any kind from real or personal community. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income.

An allowance for the straight-line depreciation of real or personal community is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the community.

When the family has net family assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from all net family assets, or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD. HANO will determine each family's net family assets at the time of admission and at annual and interim reexaminations.

When determining Net Family Assets, HANO will take the following steps:

1. Provide the family with a description of non-necessary personal property and ask the family to estimate the total value of their non-necessary personal property. If the family estimates that their non-necessary personal property is valued under \$50,000 (as adjusted annually for inflation) then the HANO will not ask the family to report the individual items of non-necessary personal property, except when the HANO is fully verifying all assets.

2. If the family's non-necessary personal property has a net value over \$50,000, HANO will ask the family to report a full list of their non-necessary personal property. HANO will assess the list to determine if any of the items are necessary personal property. The PHA will make a determination as to each item identified, based on HUD guidance, and if the item is determined to be necessary, or otherwise excluded from net family assets, like a retirement account, educational savings account, etc., it will be excluded from the family's net assets.

The full amount of periodic payments received from Social Security, annuities, insurance

policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.

*NOTE: Treatment of lump sum payments for delayed or deferred periodic payment of social security or SSI benefits is dealt with later in this section.*

Payments in lieu of earnings, such as unemployment and disability compensation, workers' compensation, and severance pay.

All TANFTANF payments received by or on behalf of any family member. (24 CFR 913.106(b) (6) contains rules applicable to "as-paid" States).

Periodic and determinable allowances, such as alimony and childcare support payments, and regular cash contributions or gifts received from persons not residing in the dwelling.

All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving the Armed Forces who is exposed to hostile fire).

#### **EXCLUSIONS FROM ANNUAL INCOME (24 CFR 5.609)**

Notwithstanding the definition below, annual income will be calculated consistent with the Tax Credit Requirements for PHA/LIHTC units at the Signatures Communities. Annual income does not include the following:

Income from the employment of children (including foster children) under the age of 18 years;

Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident family, who are unable to live alone);

Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health, and accident insurance and workers' compensation) capital gains, and settlement for personal community losses;

Amounts received by the family that are specifically for, or in reimbursement of the cost of medical expenses for any family member.

Income of a live-in aide provided the person meet the definition of a live-in aide.

The full amount of student financial assistance paid directly to the student or the educational institution.

The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

Amounts received under HUD funded training programs (e.g. Step-up program); excludes stipends, wages, transportation payments and childcare vouchers for the duration of the training.

Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self Sufficiency (PASS).

Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out of pocket expenses incurred for items such as special equipment, clothing, transportation and childcare, to allow participation in a specific program.

Amount received as a Resident services stipend. A modest amount (not to exceed \$200 per month) received by a public housing resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in public housing. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as the resident member of the PHA governing Board. No resident may receive more than one such stipend during the same period of time.

Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of family members as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment-training program.

Temporary, non-recurring, or sporadic income (including gifts).

Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (For all initial determinations and recertifications of income on or after April 23, 1993.)

Earnings in excess of \$480 for each full-time student 18 years old or older, (excluding the head of household and spouse).

Adoption assistance payments in excess of \$480 per adopted child.

The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988 (42 U.S.C. 1437 et seq.), or any comparable Federal, State or local law during the exclusion period. For purposes of this paragraph, the following definitions apply:

Comparable Federal, State or local law means a program providing employment training and supportive services that: (1) is authorized by a Federal, State or local law; (2) is funded by the Federal, State or local government; (3) is operated or administered by a public agency; and (4) has as its objective to assist participants in acquiring job skills.

Exclusion period means the period during which the resident participates in a program as described in this section and 18 months from the date, the resident begins the first job acquired by the resident after completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937.

If the resident is terminated from employment without good cause, the exclusion period shall end.



Earnings and benefits mean the incremental earnings and benefits resulting from a qualifying employment-training program or subsequent job.

Deferred periodic payments from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.

Amounts received by the family in the form of refunds or rebates under state or local law for community taxes paid on the dwelling unit.

Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. (A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion.

Other Federal Statute as of August 3, 1933 excludes the following benefits:

The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977;

Payments to volunteers under the Domestic Volunteer Service Act of 1973; examples of programs under this Act include but are not limited to:

The Retired Senior Volunteer Program (RSVP)

Foster Grandparent Program (FGP)

Senior Companion Program (SCP)

Older American Committee Service Program

National Volunteer Antipoverty Programs such as:

VISTA

Peace Corps

Service Learning Program

Special Volunteer Programs

Small Business Administration Programs such as:

National Volunteer Program to Assist Small Businesses

Service Corps of Retired Executives

Payments received under the Alaska Native Claims Settlement Act. [43 USC 1626 (a)]

Income derived from certain sub marginal land of the United States that is held in trust for certain Indian tribes. [25 USC 459e]

Payments or allowances made under the Department of HHS' Low Income Home Energy Assistance Program. [42 USC 8624 (f)]

Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 USC 1552 (b))

Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540).

The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 USC. 1407-08), or from funds held in trust for an Indian Tribe by the Secretary of Interior.

Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. [20 USC 1087 up] Examples: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College-Work Study, and Byrd Scholarships.

Payments received under programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)] Examples include Senior Community Services Employment Program, National Caucus Center on the Black Aged, National Urban League; Association National Pro Personas Mayors, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.

Payments received after January 1, 1989 from the Agents Orange Settlement Fund or any other fund established in the In-Re Orange Product Liability litigation. The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs of incurred in such care) under the Child Care and Development Block Grant Act of 1990. (42 USC 9858q)

Earned income tax credit refund payments received on or after January 1, 1991. (26 USC 32)(j).

Living allowances under Aerators Program (Nelson Diaz Memo to George Latimer 11/15/94)

## **ADJUSTED INCOME**

Annual income, less allowable HUD deductions.

*Note: Under the Continuing Resolution, PHA's are permitted to adopt other adjustments to earned income for residents of Public Housing, but must absorb any resulting loss in rental income.*

All Families are eligible for the following:

Child Care Expenses: A deduction of amounts anticipated to be paid by the family for the care of children less than 13 years of age for the period for which the Annual Income is computed. Childcare expenses are only allowable when such care is necessary to enable a family member to be gainfully employed or to further his/her education. Amounts deducted must be unreimbursed expenses and shall not exceed: (1) The amount of income earned by the family member released to work, or (2) an amount determined to be reasonable by the PHA when the expense is incurred to permit education.

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

Handicapped Expenses. A ten (10%) deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for handicapped family members where such expenses are necessary to permit a family member(s), including the handicapped/disabled member to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work.

Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for visually handicapped, and equipment added to cars and vans to permit use by the handicapped or disabled family member.

For non-elderly families and elderly families without medical expense: The amount of the deduction equals the cost of all un-reimbursed expenses for handicapped care and equipment less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.

For elderly families with medical expenses: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less three percent of Annual Income, (provided the amount does not exceed earnings) plus medical expenses as defined below.

For Elderly and Disabled Families Only:

Medical Expenses: A deduction of unreimbursed medical expenses, including insurance premiums anticipated for the period for which Annual Income is computed. Medical expenses include, but are not limited to: services of physicians and other health care professionals, services of health care facilities; insurance premiums, including the cost of Medicare), prescription and non-prescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills.

To be considered by the PHA for the purpose of determining a deduction from the income, the expenses claimed must be verifiable.

For elderly families without handicapped expenses: The amount of the deduction shall equal total medical expenses less 3% of annual income.

For elderly families with both handicapped and medical expenses: The amount of handicapped assistance is calculated first, and then medical expenses are added.

Elderly/Disabled Household Exemption: An exemption of \$400 per household.

### **III. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE**

**CHILD.** A member of the family other than the family head or spouse who is under 18 years of age.

**CITIZEN.** A citizen or national of the United States.

**EVIDENCE.** Evidence of citizenship or eligible immigration status means the documents, which must be submitted to evidence citizenship or eligible immigration status.

**PHA.** A housing authority- either a public housing agency or an Indian housing authority or both.

**HEAD OF HOUSEHOLD.** The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

**HUD.** Department of Housing and Urban Development.

**INS.** The U.S. Immigration and Naturalization Service.

**MIXED FAMILY.** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

**NATIONAL.** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**NONCITIZEN.** A person who is neither a citizen nor nation of the United States.

**PHA.** A housing authority who operates Public Housing.

**RESPONSIBLE ENTITY.** The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

**SECTION 214.** Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.

**SPOUSE.** Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

## PHA Addendum-1

### PROGRAM INTEGRITY ADDENDUM

#### **INTRODUCTION**

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental subsidy than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits that exceed their legal entitlement. HANO and its Agents is committed to assure that the proper level of benefits is paid to all residents, and that housing resources reach only income-eligible families so that program integrity can be maintained.

HANO and its Agents will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This Chapter outlines HANO's policies for the prevention, detection and investigation of program abuse and Resident fraud.

## PHA Addendum-2

### **A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD**

Under no circumstances will HANO or its Agents undertake an inquiry or an audit of a resident family arbitrarily. HANO's expectation is that resident families will comply with HUD requirements, provisions of the Lease, and other program rules. HANO or its Agents staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, HANO or its Agents has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor resident s' Lease obligations for compliance and, when indicators of possible abuse come to HANO or its Agents attention, to investigate such claims.

HANO or its Agents will initiate an investigation of a resident family only in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips. HANO or its Agents will follow up on referrals from other agencies, companies or persons, which are received by mail, by telephone or in person, which allege that a resident family is in non-compliance with, or otherwise violating the Lease or the program rules. Such follow-up will be made providing that the referral contain at least one item of information that is independently verifiable. A copy of the allegation will be retained in the resident file.

Internal File Review. A follow-up will be made if HANO or its Agents staff discovers (as a function of a [re]certification, an interim re-determination, or a quality control review), information or facts which conflict with previous file data, HANO or its Agent's knowledge of the family, or is discrepant with statements made by the family.

Verification or Documentation. A follow-up will be made if HANO or its Agents receive independent verification or documentation, which conflicts with representations in the resident file (such as public record information or credit bureau reports, reports from other agencies).

### **PHA Addendum-3**

## **B. STEPS THE HOUSING AUTHORITY WILL TAKE TO PREVENT PROGRAM**

### **ABUSE AND FRAUD**

The management and occupancy staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and resident families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by resident families.

Things You Should Know. This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify HANO or its Agent's expectations for cooperation and compliance.

Program Orientation Session. Mandatory orientation sessions will be conducted by the Site Manager for all prospective residents either prior to or upon execution of the Lease. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.

Resident Counseling. HANO or its Agents will routinely provide resident counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

Review and explanation of Forms. Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

Use of Instructive Signs and Warnings. Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

Resident Certification. All family representatives will be required to sign a "Resident Certification" form, as contained in HUD's Resident Integrity Program Manual.

### **PHA Addendum-4**

## **C. STEPS TAKEN TO DETECT PROGRAM ABUSE AND FRAUD**

HANO or its Agents Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

Quality Control File Reviews. Prior to initial certification, and at the completion of all subsequent recertifications, each resident file will be reviewed. Such reviews shall include, but are not limited to:

Changes in reported Social Security Numbers or dates of birth.

Authenticity of file Documents.

Ratio between reported income and expenditures.

Review of signatures for consistency with previously signed file documents.

Observation. HANO or its Agents Staff (to include maintenance personnel) will maintain high awareness of circumstances, which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

Public Record Bulletins may be reviewed by Management and Staff.

State Wage Data Record Keepers. Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

Credit Bureau Inquiries. Credit Bureau inquiries may be made (with proper authorization by the resident) in the following circumstances:

At the time of final eligibility determination

When HANO or its Agents wherein unreported income sources are disclosed receive an allegation.

When a resident's expenditures exceed his /her reported income and no plausible explanation is given.

## **PHA Addendum-5**

### **D. HANO 'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD**

HANO or its Agents staff will encourage all resident families to report suspected abuse to the Director of Management Office. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the resident file.

All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The Housing Authority will not follow up on allegations, which are vague or otherwise non-specific. They will only review allegations, which contain one or more independently verifiable facts.

File Review. An internal file review will be conducted to determine:

If the subject of the allegation is a resident of HANO or its Agents and, if so, to determine the family has previously disclosed whether the information reported.

It will then be determined if HANO or its Agents is the most appropriate Authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

Conclusion of Preliminary Review. If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the designated Management staff person will initiate an investigation to determine if the allegation is true or false.

## **PHA Addendum-6**

### **E. HOW HANO WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD**

If HANO or its Agents determine that, an allegation or referral warrants follow-up, either the staff person who is responsible for the file or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, HANO or its Agents will secure the written authorization from the program participant for the release of information.

Credit Bureau Inquiries. In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity, which conflicts with the reported income of the family.

Verification of Credit. In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.

Employers and Ex-Employers. Employers or ex-employers may be contacted to verify wages, which may have been previously undisclosed or misreported.

Neighbors/Witnesses. Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to HANO or its Agent's review.

Other Agencies. Investigators, caseworkers or representatives of other benefit agencies may be contacted.

Public Records. If relevant, HANO or its Agents will review public records kept in any jurisdictional courthouse. Examples of public records, which may be checked, are real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.



Interviews with Head of Household or Family Members. HANO or its Agents will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate HANO or its Agents office. HANO or its Agents Staff Person who conducts such interviews will maintain a high standard of courtesy and professionalism. Under no circumstances will management tolerate inflammatory language, accusation, or any unprofessional conduct or language. If possible, an additional staff person will attend such interviews.

## **PHA Addendum-7**

### **F. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY HANO**

Documents and other evidence obtained by HANO or its Agents during the course of an investigation will be considered "work product" and will be kept either in the resident file, or in a separate "work file." In either case, the resident file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed between HANO and its Agents Staff unless they are involved in the process, or have information, which may assist in the investigation.

### **G. CONCLUSION OF HANO 'S INVESTIGATIVE REVIEW**

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

### **H. EVALUATION OF THE FINDINGS**

If it is determined that a program violation has occurred, HANO or its Agents will review the facts to determine:

The type of violation. (Procedural, non-compliance, fraud.)

Whether the violation was intentional or unintentional.

What amount of money (if any) does the resident owe.

If the family eligible for continued occupancy.

## **PHA Addendum-8**

### **I. ACTION PROCEDURES FOR VIOLATIONS, WHICH HAVE BEEN DOCUMENTED**

Once a program violation has been documented, HANO or its Agents will propose the most appropriate remedy based upon the type and severity of the violation.

#### **Procedural Non-compliance**

This category applies when the resident "fails to" observe a procedure or requirement of

HANO or its Agents, but does not misrepresent a material fact, and there is no retroactive rent owed by the family. Examples of non-compliance violations are:

Failure to appear at a pre-scheduled appointment.

Failure to return verification in time period specified by HANO or its Agents.

Warning Notice to the Family. In such cases, a notice will be sent to the family, which contains the following:

A description of the non-compliance and the procedure, policy or obligation, which was violated.

The date by which the violation must be corrected, or the procedure complied with.

The action, which will be taken by HANO or its Agents if the procedure or obligation is not complied with by the date specified by HANO or its Agents.

The consequences of repeated (similar) violations.

## **PHA Addendum-9**

### **J. OTHER PROCEDURAL LISTINGS**

#### **Procedural Non-compliance - Retroactive Rent**

When the resident owes money to HANO or its Agents for failure to report changes in income or assets, HANO or its Agents will issue a Notification of Underpaid Rent. This Notice will contain the following:

A description of the violation and the date(s).

Any amounts owed to HANO or its Agents.

A 10-day response period.

The right to disagree and to request an informal hearing with instructions for the request of such hearing.

Resident Fails to Comply with HANO or its Agent's Notice. If the Resident fails to comply with HANO or its Agent's notice, and a material provision of the Lease has been violated, termination of tenancy initiated.

Resident Complies with HANO's Notice. When a resident complies with HANO or its Agent's notice, the staff person responsible will meet with him/her to discuss and explain the obligation or Lease provision, which was violated. The staff person will complete a Resident Counseling Report, give one copy to the family and retain a copy in the resident file.

## **Intentional Misrepresentations**

When a resident falsifies, misstates, omits or otherwise misrepresents a material fact, which results (or would have resulted) in an underpayment of rent by the resident, HANO or its Agent's will evaluate whether or not actions were wrong, and that the resident willfully violated the Lease or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the resident was made aware of program requirements and prohibitions. The resident's signature on various certifications, briefing certificate, Personal Declaration and *Things You Should Know* are adequate to establish knowledge of wrongdoing.

The resident willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

An admission by the resident of the misrepresentation.

That the act was done repeatedly.

If a false name or Social Security Number was used.

If there were admissions to others of the illegal action or omission.

That the resident omitted material facts, which were known to them (e.g., employment of self or other household member).

That the resident falsified, forged or altered documents.

That the resident uttered and certified to statements at a rent (re)determination which were later independently verified to be false.

## **The Resident Conference for Serious Violations and Misrepresentations**

When HANO or its Agent's has established that material misrepresentation(s) have occurred, a Resident Conference will be scheduled with the family representative and the HANO or its Agent's staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by HANO or its Agents. The purpose of such conference is to review the information and evidence obtained by HANO or its Agents with the resident, and to provide the resident an opportunity to explain any document findings, which conflict with representations in the resident file. HANO or its Agent's will take any documents or mitigating circumstances presented by the resident into consideration. The resident will be given 10 days to furnish any mitigating evidence.

A secondary purpose of the Resident Conference is to assist HANO or its Agent's in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, HANO will consider:

- The duration of the violation and number of false statements.
- The resident's ability to understand the rules.
- The resident's willingness to cooperate, and to accept responsibility for actions
- The amount of money involved.
- The resident's past history
- Whether or not criminal intent has been established.
- The number of false statements.

### **Dispositions of Cases Involving Misrepresentations**

In all cases of misrepresentations involving efforts to recover monies owed, HANO or its Agents may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

Criminal Prosecution: If HANO or its Agents have established criminal intent, and the case meets the criteria for prosecution, HANO or its Agents may:

- Refer the case to the local State or District Attorney, notify HUD's RIGI, and terminate rental assistance.

- Refer the case to HUD's OIG, and terminate rental assistance.

Administrative Remedies: HANO or its Agents may:

- Terminate tenancy and demand payment of restitution in full.

- Terminate tenancy and execute an administrative repayment agreement in accordance with HANO's Repayment Policy.

- Terminate tenancy and pursue restitution through civil litigation.

- Continue assistance at the correct rent upon repayment of restitution in full in 30 days.

- Permit continued occupancy at the correct rent and execute an administrative repayment agreement in accordance with HANO's repayment policy.

### **Notification to Resident of Proposed Action**

HANO or its Agents will notify the resident of the proposed action no later than 10 days after the resident conference by certified mail.

# RFP Attachment A (Form of Proposal)



**REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

**FORM OF PROPOSAL**  
**(ATTACHMENT A)**

(This Form must be fully completed and placed under Tab No. 1 of the "hard copy" tabbed proposal submittal.)

Instructions: Unless otherwise specifically required, the items listed below must be completed and included in the proposal submittal. Please complete this form by marking an "X," where provided, to verify that the referenced completed form or information has been included within the "hard copy" proposal submittal submitted by the proposer. Also, complete the Section 3 Statement and the Proposer's Statement as noted below:

X=ITEM INCLUDED	SUBMITTAL ITEMS <i>(One original and Three copies of each proposal, including one with original signatures)</i>
_____	Tab 1 Form of Proposal (Attachment A)
_____	Tab 2 Form HUD-5369-C (Attachment B)
_____	Tab 3 Profile of Firm Form (Attachment C)
_____	Tab 4 Proposed Services
_____	Tab 5 Acknowledgment of Addenda
_____	Tab 6 Equal Employment Opportunity/Supplier Diversity
_____	Tab 7 Certification of Non-Exclusion
_____	Tab 8 Subcontractor/Joint Venture Information
_____	Tab 9 Section 3 Business Preference Documentation
_____	Tab 10 Other Information (Optional)

**SECTION 3 STATEMENT**

Are you claiming a Section 3 business preference? YES \_\_\_ or NO \_\_\_. If "YES," pursuant to the Section 3 portion within the Conditions and Specifications, and pursuant to the documentation justifying such submitted under Tab No. 7, which priority are you claiming? \_\_\_\_\_.

**PROPOSER'S STATEMENT**

The undersigned proposer hereby states that by completing and submitting this Form and all other documents within this proposal submittal, he/she is verifying that all information provided herein is, to the best of his/her knowledge, true and accurate, and that if the HA discovers that any information entered herein to be false, such shall entitle the HA to not consider or make award or to cancel any award with the undersigned party. Further, by completing and submitting the proposal submittal, and by entering and submitting the costs where provided within the noted Internet System, the undersigned proposer is thereby agreeing to abide by all terms and conditions pertaining to this RFP as issued by the HA, either in hard copy or on the noted Internet System, including an agreement to execute the attached Sample Contract form. Pursuant to all RFP Documents, this Form of Proposal, and all attachments, and pursuant to all completed Documents submitted, including these forms and all attachments, the undersigned proposes to supply the HA with the services described herein for the fee(s) entered within the areas provided within the noted Internet System pertaining to this RFP.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Company

# RFP Attachment B (HUD-5369-C)



# RFP Attachment C (Profile of Firm Form)





**REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

**PROFILE OF FIRM FORM**  
**(Attachment C)**

(This Form must be fully completed and placed under Tab No. 3 of the "hard copy" tabbed proposal submittal.)

(1) Prime \_\_\_\_ Sub-contractor \_\_\_\_ (This form must be completed by and for each).

(2) Name of Firm: \_\_\_\_\_ Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

(3) Street Address, City, State, Zip: \_\_\_\_\_

(4) Please attach a brief biography/resume of the company, including the following information:  
(a) Year Firm Established; (b) Year Firm Established in [JURISDICTION]; (c) Former Name and Year Established (if applicable); (d) Name of Parent Company and Date Acquired (if applicable).

(5) Identify Principals/Partners in Firm (submit under Tab No. 5 a brief professional resume for each):

NAME	TITLE	% OF OWNERSHIP

(6) Identify the individual(s) that will act as project manager and any other supervisory personnel that will work on project; please submit under Tab No. 5 a brief resume for each. (Do not duplicate any resumes required above):

NAME	TITLE

(7) Proposer Diversity Statement: You must circle all of the following that apply to the ownership of this firm and enter where provided the correct percentage (%) of ownership of each:

Caucasian                       Public-Held                       Government                       Non-Profit  
 American (Male)                      Corporation                      Agency                      Organization  
 \_\_\_\_\_%                      \_\_\_\_\_%                      \_\_\_\_\_%                      \_\_\_\_\_%

Resident- (RBE), Minority- (MBE), or Woman-Owned (WBE) Business Enterprise (Qualifies by virtue of 51% or more ownership and active management by one or more of the following:

Resident- Owned\*     African American     \*\*Native American     Hispanic American     Asian/Pacific American     Hasidic Jew     Asian/Indian American  
 \_\_\_\_\_%    \_\_\_\_\_%    \_\_\_\_\_%    \_\_\_\_\_%    \_\_\_\_\_%    \_\_\_\_\_%    \_\_\_\_\_%

Woman-Owned (MBE)     Woman-Owned (Caucasian)     Disabled Veteran     Other (Specify):  
 \_\_\_\_\_%    \_\_\_\_\_%    \_\_\_\_\_%    \_\_\_\_\_%

WMBE Certification Number (if known): \_\_\_\_\_  
 Certified by (Agency): \_\_\_\_\_

\_\_\_\_\_  
**Signature                      Date                      Printed Name                      Company**

**REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

**PROFILE OF FIRM FORM**

**(Attachment C)**

**(This Form must be fully completed and placed under Tab No. 3 of the "hard copy" tabbed proposal submittal.)**

- (8) Federal Tax ID No.: \_\_\_\_\_
- (9) [APPROPRIATE JURISDICTION] Business License No.: \_\_\_\_\_
- (10) State of \_\_\_\_\_ License Type and No.: \_\_\_\_\_
- (11) Worker's Compensation Insurance Carrier: \_\_\_\_\_  
Policy No.: \_\_\_\_\_ Expiration Date: \_\_\_\_\_
- (12) General Liability Insurance Carrier: \_\_\_\_\_  
Policy No. \_\_\_\_\_ Expiration Date: \_\_\_\_\_
- (13) Professional Liability Insurance Carrier: \_\_\_\_\_  
Policy No. \_\_\_\_\_ Expiration Date: \_\_\_\_\_
- (14) Debarred Statement: Has this firm, or any principal(s) ever been debarred from providing any services by the Federal Government, any state government, the State of \_\_\_\_\_, or any local government agency within or without the State of \_\_\_\_\_? Yes  No   
If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.
- (15) Disclosure Statement: Does this firm or any principals thereof have any current, past personal or professional relationship with any Commissioner or Officer of the HA? Yes  No   
If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.
- (16) Non-Collusive Affidavit: The undersigned party submitting this proposal hereby certifies that such proposal is genuine and not collusive and that said proposer entity has not colluded, conspired, connived or agreed, directly or indirectly, with any proposer or person, to put in a sham proposal or to refrain from proposing, and has not in any manner, directly or indirectly sought by agreement or collusion, or communication or conference, with any person, to fix the proposal price of affiant or of any other proposer, to fix overhead, profit or cost element of said proposal price, or that of any other proposer or to secure any advantage against the HA or any person interested in the proposed contract; and that all statements in said proposal are true.
- (17) Verification Statement: The undersigned proposer hereby states that by completing and submitting this form he/she is verifying that all information provided herein is, to the best of his/her knowledge, true and accurate, and agrees that if the HA discovers that any information entered herein is false, that shall entitle the HA to not consider nor make award or to cancel any award with the undersigned party.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Company**

# RFP Attachment D (Section 3 Submittal Form)



# HOUSING AUTHORITY OF NEW ORLEANS

4100 Touro St. | New Orleans, LA 70122

(504) 670-3448 (Office)

Website: [www.hano.org](http://www.hano.org)

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## INTERNAL PROCEDURES, INSTRUCTIONS, AND FORMS

This packet is designed to comply with the New HUD Section 3 Final Rule issued September 29, 2020, and became effective November 30, 2020. Therefore, these documents and instructions are related to the “Hours Worked Benchmarks” as called for in the 24 CFR Part 75 regulation. Every contractor and sub-contractor (except for professional services) are required to work toward meeting the prescribed benchmarks as indicated on the bottom of page 10 of this packet. There is no specific hiring or contracting goals under this new rule.

Most importantly, **the rule does not require the hiring or contracting of any person or business that is not fully qualified** to perform the work as would be charged. However, the rule makes clear that HUD is intent on ensuring Section 3 persons employed under the new rule receive measurable and sustainable employment. Therefore, Section 3 employees can be counted for up to five full years from the date of certification or hire respectively. HUD is expected to issue continued guidance on the new rule in the future so these documents may change in accordance with the rule.

If you should have any questions on this packet, please contact our Compliance Consultant:

**Motivation Compliance and Training, Inc.**

[compliance@motivation-inc.com](mailto:compliance@motivation-inc.com)

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Updated October, 2023



GOVERNING PARTS OF THE SECTION 3 FINAL RULE SPECIFIC TO THE  
HOUSING AUTHORITY OF NEW ORLEANS  
The Final Rule is at 24 CFR Part 75

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## SECTION 3 BACKGROUND

*Applicable to all expenditures and agreements regardless of the dollar amount*

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Background - Section 3 of the Housing and Urban Development Act of 1968 (Public Law 90-448, approved August 1, 1968) (Section 3) was enacted to bring economic opportunities generated by certain HUD financial assistance expenditures, to the greatest extent feasible, to low- and very low-income persons residing in communities where the financial assistance is expended. Section 3 recognizes that HUD funds are often one of the largest sources of Federal funds expended in low- and very low-income communities and, where such funds are spent on activities such as construction and rehabilitation of housing and other public facilities, the expenditure results in economic opportunities. By directing HUD-funded economic opportunities to residents and businesses in the community where the funds are expended, the expenditure can have the dual benefit of creating new or rehabilitated housing and other facilities while providing opportunities for employment and training for the residents of these communities.

The Section 3 statute establishes priorities for employment and contracting for public housing programs and for other programs that provide housing and community development assistance. For example, the prioritization as it relates to public housing assistance places an emphasis on public housing residents, in contrast to the prioritization as it relates to housing and community development assistance, which places more emphasis on residents of the neighborhood or service area in which the investment is being made.

### INTERNAL PROCEDURES FOR IMPLEMENTATION OF THE RULE

#### Housing Authority of New Orleans Internal Hiring Procedure

For all positions at the authority, the human resources staff will include the Section 3 Individual Low-Income Person Self Certification form with the applications (virtually and paper) allowing each applicant to identify themselves accordingly. The completion of the form will remain voluntary and at the applicant's discretion.

Once all applications have been received and reviewed, the most desirous and qualified candidate will be progressed through the hiring process. The Section 3 status of the applicant will be considered only after the "Most Qualified" candidate has been determined. If there are multiple and equally qualified persons, the Section 3 status and category of the applicant will be considered. The candidate with the highest Section 3 priority based on the 24CFR Part 75.9(a)(2) will be offered the position. All advertisements for positions with the authority will carry this wording:

*"This opportunity is covered under Section 3 of the HUD Act of 1968"*

## Housing Authority of New Orleans Contractor Hiring Notice

For all advertised contracts let by the authority, the responsible staff will include the Section 3 Business Self Certification form and the Section 3 Individual Low-Income Self Certification form with the bid package (virtually and paper) allowing each respondent to identify themselves and their business accordingly. The completion of the forms will remain voluntary and at the respondent's discretion.

Once all responses have been received and reviewed, the most desirous and qualified business will be progressed through the contracting process. The Section 3 status of the respondent will be considered only after the "Most Qualified and Advantageous" respondent has been determined.

If there are multiple and equally qualified businesses, the Section 3 status and category of the business will be considered. The business with the highest Section 3 priority, based on the 24CFR Part 75.9 (b)(2) will be awarded the contract. All other applicable procurement laws will be adhered to relative to contracting amounts. All advertisements for contracts with the authority will carry this wording:

*"This opportunity is covered under Section 3 of the HUD Act of 1968"*

## Housing Authority of New Orleans Contracting Procedure

For all advertised and non-advertised contracts let by the authority, the responsible staff will include the Section 3 Business Self Certification form and the Section 3 Individual Low-Income Self Certification form (with no income limit area) with the solicitation/bid package (virtually and paper) allowing each respondent to identify themselves and their business accordingly. The completion of the forms will remain voluntary at the respondent's discretion.

Once all responses have been received and reviewed, the most desirous and qualified business will be progressed through the contracting process. The Section 3 status of the respondent will be considered only after the "Most Qualified and Advantageous" respondent has been determined. We encourage contractors to recruit, train, and hire as many Housing Authority of New Orleans residents and voucher holders as possible. At minimum, contractors are required to provide an opportunity notice the Section 3 coordinator so some outreach can be executed for any created or available employment opportunities.

If there are multiple and equally qualified businesses, the Section 3 status and category of the business will be considered. The business with the highest Section 3 priority, based on the 24CFR Part 75.9 (b)(2) will be awarded the contract. All other applicable procurement laws will be adhered to relative to contracting amounts. All advertisements for contracts with the authority or its contractors, and sub-contractors will carry this wording:

*"This opportunity is covered under Section 3 of the HUD Act of 1968"*

## Housing Authority of New Orleans Internal Resident Training Procedure

For all resident training offered by Housing Authority of New Orleans and its contractors, the staff will include the Section 3 Individual Low-Income Person Self Certification form with the training notice or upon the first day of training (virtually and paper) allowing each prospective trainee to identify themselves accordingly as public housing or Section 8. The completion of the form will NOT be voluntary as the prospective trainees will be allowed to attend based on their prioritization in the 24CFR Part 75.9(a)(2).

If the training is being paid for with HUD Public Housing financial assistance, the training will be limited to residents and potentially voucher holders only.

All advertisements for training will carry this wording:

**"This opportunity is covered under Section 3 of the HUD Act of 1968"**

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### Key Rule Components

Note: Where a portion of a Section specifically spoke to areas not related to Public Housing Assistance, those pieces were intentionally removed. There is no need to feel something important is not included.

#### § 75.1 Purpose.

This part establishes the requirements to be followed to ensure the objectives of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) are met. The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.

#### § 75.3 Applicability.

(a) General applicability. Section 3 applies to public housing financial assistance and Section 3 projects, as follows:

(1) Public housing financial assistance. Public housing financial assistance means:

(i) Development assistance provided pursuant to section 5 of the United States Housing Act of 1937 (the 1937 Act);

(ii) Operations and management assistance provided pursuant to section 9(e) of the 1937 Act;



(iv) The entirety of a mixed-finance development project as described in 24 CFR 905.604, regardless of whether the project is fully or partially assisted with public housing financial assistance as defined in paragraphs (a)(1)(i) through (iii) of this section.

(iii) The requirements in this part apply to an entire Section 3 project, regardless of whether the project is fully or partially assisted under HUD programs that provide housing and community development financial assistance.

(b) Contracts for materials. Section 3 requirements do not apply to material supply contracts.

(d) Other HUD assistance and other Federal assistance. Recipients that are not subject to Section 3 are encouraged to consider ways to support the purpose of Section 3.

### § 75.5 Core Definitions Only.

The terms HUD, Public housing, Public Housing Agency (PHA), and are defined in 24 CFR part 5. The also apply to this part: 1937 Act means the United States Housing Act of 1937, 42 U.S.C. 1437 et seq. Contractor means any entity entering into a contract with:

(1) A recipient to perform work in connection with the expenditure of public housing financial assistance or for work in connection with a Section 3 project; or

(2) A subrecipient for work in connection with a Section 3 project.

**Labor hours** means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance.

**Low-income person** means a person as defined in Section 3(b)(2) of the 1937 Act.

**Material supply contracts** means contracts for the purchase of products and materials, including, but not limited to, lumber, drywall, wiring, concrete, pipes, toilets, sinks, carpets, and office supplies.

**Professional services** means non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, environmental assessment, architectural services, and civil engineering services.

**Public housing financial assistance** means assistance as defined in § 75.3(a)(1).

**Public housing project** is defined in 24 CFR 905.108.

**Recipient** means any entity that receives directly from HUD public housing financial assistance or housing and community development assistance that funds Section 3 projects, including, but not

limited to, any State, local government, instrumentality, PHA, or other public agency, public or private nonprofit organization.

**Section 3** means Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

**Section 3 business concern** means:

(1) A business concern meeting at least one of the following criteria, documented within the last six-month period:

- (i) It is at least 51 percent owned and controlled by low- or very low-income persons;
- (ii) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
- (iii) It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

(2) The status of a Section 3 business concern shall not be negatively affected by a prior arrest or conviction of its owner(s) or employees.

[\(3\) Nothing in this part shall be construed to require the contracting or subcontracting of a Section 3 business concern.](#) Section 3 business concerns are not exempt from meeting the specifications of the contract.

**Section 3 worker** means:

(1) Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

- (i) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
- (ii) The worker is employed by a Section 3 business concern.
- (iii) The worker is a YouthBuild participant.

(2) The status of a Section 3 worker shall not be negatively affected by a prior arrest or conviction.

[\(3\) Nothing in this part shall be construed to require the employment of someone who meets this definition of a Section 3 worker.](#) Section 3 workers are not exempt from meeting the qualifications of the position to be filled.

**Section 8-assisted housing** refers to housing receiving project-based rental assistance or tenant-based assistance under Section 8 of the 1937 Act.

**Subcontractor** means any entity that has a contract with a contractor to undertake a portion of the contractor's obligation to perform work in connection with the expenditure of public housing financial assistance or for a Section 3 project.

**Targeted Section 3 worker** has the meanings provided in §§ 75.11, 75.21, or 75.29, and does not exclude an individual that has a prior arrest or conviction.

Very low-income person means the definition for this term set forth in section 3(b)(2) of the 1937 Act.

YouthBuild programs refers to YouthBuild programs receiving assistance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3226).

## § 75.9 Requirements

### *(a) Employment and Training.*

- (1) Consistent with existing Federal, state, and local laws and regulations, PHAs or other recipients receiving public housing financial assistance, and their contractors and subcontractors, must make their ***best efforts to provide employment and training opportunities*** generated by the public housing financial assistance to Section 3 workers.
- (2) PHAs or other recipients, and their contractors and subcontractors, must make their best efforts described in paragraph (a)(1) of this section in the following order of priority:
  - (i) To residents of the public housing projects for which the public housing financial assistance is expended;
  - (ii) To residents of other public housing projects managed by the PHA that is providing the assistance or for residents of Section 8-assisted housing managed by the PHA;
  - (iii) To participants in YouthBuild programs; and
  - (iv) To low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

### *(b) Contracting.*

- (1) Consistent with existing Federal, state, and local laws and regulations, PHAs and other recipients of public housing financial assistance, and their contractors and subcontractors, must make their ***best efforts to award contracts and subcontracts to business concerns that provide economic opportunities to Section 3 workers.***
- (2) PHAs and other recipients, and their contractors and subcontractors, must make their best efforts described in paragraph (b)(1) of this section in the following order of priority:
  - (i) To Section 3 business concerns that provide economic opportunities for residents of the public housing projects for which the assistance is provided;
  - (ii) To Section 3 business concerns that provide economic opportunities for residents of other public housing projects or Section-8 assisted housing managed by the PHA that is providing the assistance;
  - (iii) To YouthBuild programs; and

(iv) To Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which the assistance is provided.

**§ 75.11 Targeted Section 3 worker for Public Housing Financial Assistance.**

(a) Targeted Section 3 worker. A Targeted Section 3 worker for public housing financial assistance means a Section 3 worker who is:

(1) A worker employed by a Section 3 business concern; or

(2) A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:

(i) A resident of public housing or Section 8-assisted housing;

(ii) A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or

(iii) A YouthBuild participant.

**§ 75.13 Section 3 Safe Harbor. *(See Benchmarks on page 13)***

(a) General. Recipients will be considered to have complied with requirements in this part, in the absence of evidence to the contrary if they:

(2) Certify that they have followed the prioritization of effort in § 75.9; and

(3) (2) Meet or exceed the applicable Section 3 benchmark as described in paragraph (b) of this section.

**§ 75.15 Reporting. *(See Benchmarks on page 13)***

(a) Reporting of labor hours. (1) For public housing financial assistance, PHAs and other recipients must report in a manner prescribed by HUD:

(i) The total number of labor hours worked;

(ii) The total number of labor hours worked by Section 3 workers; and

(iii) The total number of labor hours worked by Targeted Section 3 workers.

(2) Section 3 workers' and Targeted Section 3 workers' labor hours may be counted for five years from when their status as a Section 3 worker or Targeted Section 3 worker is established pursuant to § 75.31.

(5) PHAs and other recipients may report on the labor hours of the PHA, the recipient, a contractor, or a subcontractor based on the employer's good faith assessment of the labor hours of a full-time or part-time employee informed by the employer's existing salary or time and attendance based payroll systems, unless the project or activity is otherwise subject to requirements specifying time and attendance reporting.

*(b) Additional reporting if Section 3 benchmarks are not met.*

If the PHA's or other recipient's reporting under paragraph (a) of this section indicates that the PHA or other recipient has not met the Section 3 benchmarks described in § 75.13, the PHA or other recipient must report in a form prescribed by HUD on the qualitative nature of its Section 3 compliance activities and those of its contractors and subcontractors. Such [\*qualitative efforts may, for example,\*](#) include but are not limited to the following:

(1) Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers. Etc.

(2) of the (c) Reporting frequency. Unless otherwise provided, PHAs or other recipients must report annually to HUD under paragraph (a) of this section, and, where required, under paragraph (b) of this section, in a manner consistent with reporting requirements for the applicable HUD program.

**§ 75.17 Contract Provisions.**

(a) PHAs or other recipients must include language in any agreement or contract to apply Section 3 to contractors.

(b) PHAs or other recipients must require contractors to include language in any contract or agreement to apply Section 3 to subcontractors.

(c) PHAs or other recipients must require all contractors and subcontractors to meet the requirements of § 75.9, regardless of whether Section 3 language is included in contracts.

**§ 75.29 Multiple Funding Sources.**

(a) If a housing rehabilitation, housing construction or other public construction project is subject to Section 3 pursuant to § 75.3(a)(1) and (2), the recipient must follow subpart B of this part for the public housing financial assistance and may follow either subpart B or C of this part for the housing and community development financial assistance. For such a project, the following applies:

(2) The recipients of both sources of funding shall report on the housing rehabilitation, housing construction, or other public construction project as a whole and shall identify the multiple associated recipients. PHAs and other recipients must report the following information:

- (i) The Total number of labor hours worked on the project;
- (ii) The total number of labor hours worked by Section 3 workers on the project, and;
- (iii) The total number of labor hours worked by Targeted Section 3 workers on the project.

§ 75.31 Recordkeeping.

**(b) Recipients must maintain documentation, or ensure that a subrecipient, contractor, or subcontractor that employs the worker maintains documentation, to ensure that workers meet the definition of a Section 3 worker or Targeted Section 3 worker, at the time of hire or the first reporting period, as follows:**

(1) For a worker to qualify as a Section 3 worker, one of the following must be maintained:

- (i) A worker's self-certification that their income is below the income limit from the prior calendar year;
- (ii) A worker's self-certification of participation in a means-tested program such as public housing or Section 8-assisted housing;
- (iii) Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
- (iv) An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis; or
- (v) An employer's certification that the worker is employed by a Section 3 business concern.

(2) For a worker to qualify as a Targeted Section 3 worker, one of the following must be maintained:

(i) For a worker to qualify as a Targeted Section 3 worker under subpart B of this part:

(A) A worker's self-certification of participation in public housing or Section 8-assisted housing programs;

(B) Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;

(C) An employer's certification that the worker is employed by a Section 3 business concern; or

(D) A worker's certification that the worker is a YouthBuild participant.

## Benchmarks

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For Public Housing Financial Assistance, the proposed benchmark notification set the benchmarks for the recipient's fiscal year. The proposed benchmark notification provided that recipients would meet the safe harbor in the new §75.13 by certifying to the prioritization of effort in the new §75.9 and meeting or exceeding Section 3 benchmarks for total number of labor hours worked by Section 3 workers and by Targeted Section 3 workers. The benchmark for Section 3 workers was set at 20 percent or more of the total number of labor hours worked by all workers paid with public housing financial assistance. The benchmark for Targeted Section 3 workers was set at 5 percent or more of the total number of labor hours worked by all workers paid with public housing financial assistance.

Simply stated, the recipient needs to meet these two benchmarks annually in order to achieve Safe Harbor.

Section 3 Workers Labor Hours = 20%  
Total Labor Hours for the Recipient

Section 3 Targeted Workers Labor Hours = 5%  
Total Labor Hours for the Recipient

*Forms Package Follows on the Next Page*

# HOUSING AUTHORITY OF NEW ORLEANS

## SECTION 3 NEW RULE 24 CFR Part 75

On November 30, 2020, HUD put into effect a New and Final Section 3 Rule for all recipients. This rule is drastically different from the old rule and therefore, we want everyone to know these requirements and plan accordingly.

**Every contractor must ensure this package is included in their sub-contracts. Every sub-contractor must include this package in their lower-tiered sub-contracts.**

This new rule exempts all material and supply only agreements. The rule applies to all service-related contracts/agreements despite the dollar amount or project duration, except CPA's, Attorneys, Engineers, and Architects.

There is an Order of Priority for employment that needs to be followed in the event there are multiple "equally" qualified persons for a job. Contracting is based on "Economic Opportunities" provided to Section 3 persons. Please ask if you desire to do any of these things.

Documents included in this package:

✱ New Requirements Summary	14
✱ Monthly Reporting Instructions	15
✱ Section 3 Business Self-Certification Forms	16
✱ Section 3 Individual Self-Certification Forms	17
✱ Hours Worked Reporting Form	18
✱ Acknowledgment and Affidavit Form	19

**The Acknowledgement and Affidavit must be executed and returned by Every Contractor.**



Housing Authority of New Orleans  
Annual "Section 3 Benchmarks" Requirement Summary

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- \* Twenty (20) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in a HA's fiscal year are Section 3 workers; and
- \* Five (5) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in a HA's fiscal year are Section 3 workers
- \* There are **No specific hiring or contracting goals** under this new rule.
- \* There is **No Section 3 Business Preference** under the new rule and **No points awarded** for being a Section 3 Business.
- \* All **person or business be fully qualified to perform the work.**

**The two new categories of Section 3 are now referred to as:**

- \* **Section 3 Worker** - Any low or very low-income persons residing in the Metropolitan area
- \* **Targeted Section 3 Worker** - Public Housing, Voucher Holder, and YouthBuild participants

Contractors will provide these three (3) data sets to the Section 3 Consultant within 45 days of the month after the hours have been worked by EVERY person that worked directly on the contract. **No back-office staff hours are counted:**

- \* Total Hours Worked by all workers
- \* Total Hours Worked by Section 3 Workers (Individual Self-Certification Form Required)
- \* Total Hours worked by Targeted Section 3 Workers (Individual Self-Certification Form Required)

**There are new definitions of how to be a Section 3 Business Concern:**

- \* It is at least 51 percent owned by low- or very low-income persons; with businesses at least 6 months old
- \* Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or (Based on the prior 90 days of full business payrolls)
- \* It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8-assisted housing, with businesses at least 6 months old.

## HANO MONTHLY REPORTING INSTRUCTIONS

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### STEP ONE

Enter your company name and the name of the contract or task you are performing in the appropriate lines at the top of the form.

### STEP TWO

Determine which workers qualify as Section 3 by having each complete a **Section 3 Individual Low-Income Person Self-Certification Form**. This form is submitted once per Section 3 employee or those that believe they meet the definition of a Section 3 employee.

The form is to be completed by the individual and stress to the employee that the form is **Voluntary**:

1. Complete contact info section
2. Check the box that describes your situation
3. Sign and date the form
4. Complete the employer information
5. Return to your employer

### STEP THREE

After determining which workers are Section 3, determine their classification based on what they check in the box on the form as **Non-Targeted** or **Targeted**:

**Non-Targeted** Workers are those low-income people who reside within the HANO metro area

**Targeted** Workers are those low-income people who are currently active HANO public housing , or Section 8 residents, and/or YouthBuild participants.

### STEP FOUR

Enter the monthly dates of reporting on the first line, then proceed as follows:

1. Enter total hours worked by ALL contract or project level staff with exceptions as noted above\*
2. Enter total hours worked by all Section 3 staff **Non-Targeted**
3. Enter total hours worked by all Section 3 staff **Targeted**

List **ONLY** the individual names of the workers who have self-certified as Section 3 (**Non-Targeted** and **Targeted**) along with their total hours for this months report only.

### STEP FIVE

Submit the Section 3 Hours Worked Reporting on a monthly basis in the electronic system provided by the Section 3 Consultant on a future communication.

SECTION 3 BUSINESS

# Voluntary Self-Certification Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 Business Certification requirements. To count as a Section 3 Business your company/firm must meet one of the listed categories below. Each category will require additional documentation to support the election. You must provide that supporting documentation with this form properly completed to be confirmed as a Section 3 business. If this form is submitted without the required supplemental data, your certification will not be processed.

CATEGORY	DOCUMENTATION REQUIRED	YOUR ELECTION
a business at least 51 percent owned by low- or very low-income persons;	Proof of ownership showing all owners and their percentages and a completed Section 3 Individual Self-Certification form for all low- and very low-income owners	<input type="checkbox"/>
Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or	Provide the last 90 days full payrolls for the entire company, make a list of the names from the payrolls of the Section 3 workers, and provide a completed Section 3 Individual Self-Certification for all low- and very low-income workers you list	<input type="checkbox"/>
It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8-assisted housing.	Proof of ownership showing all owners and their percentages and a Section 3 Individual Self-Certification form for all public housing and/or Section 8 owners	<input type="checkbox"/>

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my business meets the elected definition and understand proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as a certified Section 3 business.

Full Name: \_\_\_\_\_

Company Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

SECTION 3 INDIVIDUAL LOW-INCOME PERSON

# Voluntary Self-Certification Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 self-certification income requirements. To count as a Section 3 individual, any legal resident of the United States annual income must not exceed the HUD income limits for the year before they were hired, or, the individual's current year income annualized for the year they are being confirmed as low-income.

Print Name

Print Name	
Phone	Email

Address

Address		
City	State	Zip

To qualify as a Section 3 Person, you must meet one of the standards in the brackets below or your individual annual income must not exceed the number in the box below.

Check only one box below that describes your situation:

- I am a low or very low-income person residing in the HANO Metropolitan Area below
- My employer will certify that I am employed by a Section 3 business
- I reside in a HANO property
- I live in Section 8 housing administered by HANO
- I am a current YouthBuild participant

My Individual Annual Income Does Not Exceed: \$45,950\*

Orleans Parish is part of the New Orleans-Metairie, LA HUD Metro FMR Area

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my total income does not exceed the one shown above, and that proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as a certified Section 3 individual.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Income Limits website: [https://www.huduser.gov/portal/datasets/il/il2023/select\\_Geography.odn](https://www.huduser.gov/portal/datasets/il/il2023/select_Geography.odn)

SECTION 3

# Required Hours Worked Reporting

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 tracking of hours worked by all person's employed on a [Housing Authority of New Orleans](#) contract, including those meeting the Section 3 income requirements as low- or very low-income.

**Section 3 Employees are now defined to as:**

**Section 3 Workers** - Any low or very low-income persons residing in the HANO Metropolitan Area (MSA)

**Targeted Section 3 Workers** - I reside in public housing or Section 8 housing managed by HANO or a current YouthBuild participants (If a program is active in the area)

If your company employs any person it believe is low income now or was when they were hired within the past five years, please have them complete the **SECTION 3 INDIVIDUAL LOW-INCOME PERSON SELF-CERTIFICATION FORM** and return it with their first report of employment in the Hours Worked Reporting System.

All hours worked by everyone on the project must be reported monthly electronically or by email. If you have questions please contact the HANO Section 3 Contact:

Housing Authority of New Orleans

Name: Peter Do

Email: section3@hano.org

Phone: 504-670-3266

- \* Total Hours Worked by non-Section 3 staff
- \* Total hours worked by all **Non-targeted** Section 3 employees
- \* Total hours worked by all **Targeted** Section 3 employee

Housing Authority of New Orleans  
Section 3 New Rule Contractor Acknowledgement  
*(Return this form with your final contract)*

Company Name: \_\_\_\_\_

Contract or Project Name: \_\_\_\_\_

Trade Work/Classification: \_\_\_\_\_

I hereby certify to the US Department of Housing and Urban Development (HUD) that I have read all of the information in this policy package and agree to follow the requirements for complying with the order of prioritization in 75.9 and reporting of all labor hours associated with my contract as required. I further understand that failure to comply with these requirements will cause my payments to be held and not processed or not released until I come into full compliance with this policy.

**Monthly**, I will be required to provide these data points for all contract staff working directly on the contract **not including any back-office staff**:

- Total Hours Worked by all employees (Section 3 and regular employees)
- Total Hours Worked by All **Non-Targeted Section 3 employees** (Low-Income persons residing in the HANO Metropolitan Area (MSA))
- Total Hours Worked by All **Targeted Section 3 employees** (Public Housing, Section 8, YouthBuild)

*You are required to enter the names and hours worked by each Section 3 employee individually.*

Signature: \_\_\_\_\_ Print: \_\_\_\_\_ Date: \_\_\_\_\_

# RFP Attachment E (HUD-5369-B)



# Instructions to Offerors Non-Construction

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



- 03291 -

## 1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

## 2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

## 3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

## 4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

## 5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

## 6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.



(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

## 7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

## 8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

## 9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

# RFP Attachment F Supplemental Conditions



# REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management

## SUPPLEMENTAL CONDITIONS

The following supplements and/or modifies the "General Conditions for Non-Construction Contracts Sections I," form HUD-5370-C:

### Contract Period

The contract shall be for an initial period of two (2) years, with an option to extend for two (2) additional years.

### Contract Type

The contract resulting from this RFP shall be a fixed price contract. Consultant services shall be paid at fixed rates, in accordance with the contractor's Cost Proposal, pending HUD Funding.

### Invoicing

Invoices shall be submitted monthly to the Department of Finance with a copy to the Modernization and Development Department. The invoice shall provide an invoice number, service dates, purchase order number, Task Order number, and a description of services provided and the name/title of employee who rendered the services. Invoices shall be submitted on the contractor's own invoice form.

### Payments

All vendors should submit invoices to the Finance Department on or before the days listed below. All vendor invoices are due on the 1<sup>st</sup> or 15<sup>th</sup> of the month. Invoice payments are as follows:

- *Invoices received on the 16<sup>th</sup> of the current month thru the 1<sup>st</sup> day of the next month will be paid on the 1<sup>st</sup> of the following month.*
- **Example: An invoice received on August 27<sup>th</sup> will be processed commencing September 1<sup>st</sup> and paid on October 1<sup>st</sup>.**
- *Invoices received on the 2<sup>nd</sup> of the current month thru the 15<sup>th</sup> of the current month will be paid on the 15<sup>th</sup> of the following month.*
- **Example: An invoice received on August 4<sup>th</sup> will be processed commencing August 15<sup>th</sup> and paid on September 15<sup>th</sup>.**

### Request for Taxpayer Number and Certification (W-9)

The respondent(s) shall provide a copy of its Request for Taxpayer Number and Certification (W-9) at the time and date specified by the Authority.

### Public Access to Procurement Information/Confidentiality

All information submitted in response to a solicitation issued by the Housing Authority of New Orleans (HANO) shall remain confidential until after final approval by HANO's Board of Commissioners and/or the United States Department of Housing and Urban Development (HUD). HANO's policy regarding public access is in strict accordance with the guidelines set forth in its Procurement Policy, Section 5.3.4, HUD Handbook 7460.8 REV 2, Section 1.6, Public Access to Procurement Information and

## **REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

Section 7.2 (J) Confidentiality. Furthermore, pursuant to Louisiana Revised Statute 40:526(8), HANO shall not disclose information submitted to HANO in confidence in response to this RFP, and not otherwise required by law to be submitted, where such information should reasonably be considered confidential.

### **Indemnification**

The successful Respondent(s) will be required to protect, defend, indemnify, keep, save, and hold HANO, its officers, officials, employees and agents free and harmless from and against any and all liabilities, losses, penalties, damages, settlements, environmental liability, costs, charges, professional fees or other expenses or liabilities of every kind, nature and character arising out of or relating to any and all claims, liens, demands, obligations, actions, suits, judgments or settlements, proceedings or causes of action of every kind, nature and character (collectively, "claims") in connection with or arising directly or indirectly out of the acts or omissions and/or the performance thereof by the successful Respondent, its officers, officials, agents, employees, and subcontractors, including, but not limited to, the enforcement of the indemnification provision. The successful Respondent(s) will be further required to investigate, handle, respond to, provide defense for and defend all suits for any and all claims, at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims are considered groundless, false or fraudulent.

HANO will have the right, at its option and at its expense, to participate in the defense of any suit, without relieving the successful Respondent of any of its obligations under this indemnity provision. The indemnities to be set forth in the contract resulting from this RFP will survive the expiration or termination of that contract.

### **Rights, Use, and Ownership of Assessment Materials**

Assessment materials generated as a result of performing the Scope of Services contained in this contract shall be confidential and proprietary, and shall be for the exclusive use and ownership of The Housing Authority of New Orleans. Such materials shall include, but not be limited to data, cost estimates, and reports generated that contain descriptive and/or identifying information regarding individual properties owned by HANO and/or HANO's portfolio of properties. Such materials shall not be shared, signed, sold or disclosed to parties other than those named on the contract without the express written permission of the Housing Authority of New Orleans' Contracting Officer. Any violations of this provision shall be considered a breach of, and grounds for immediate termination in accordance with the "Termination for Convenience and Default" clause.

### **Ethics Policy**

The selected Respondent shall abide by the applicable provisions of the Housing Authority of New Orleans' Ethics Policy and State of Louisiana Ethics Code.

### **Third Party Claims on Software**

HANO shall be held harmless from any third-party legal claims involving the use by HANO of any software product or technique provided by the selected Respondent.

## REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management

The successful Respondent shall possess all of the required State and Local licenses and certifications required to perform work of the type required by this contract in the City of New Orleans. In addition, the Respondent shall comply with all laws, ordinances and regulations applicable to the services contemplated herein. Respondents are presumed to be familiar with all federal, state and local laws, ordinances, codes, rules and regulations that may in any way affect the delivery of services.

### **Contractual Obligations**

At any time, should the proposed services require the use of products or services of another company, such services shall be disclosed, and HANO will hold the selected respondent(s) responsible for the proposed services.

### **Certification of Legal Entity**

Prior to execution of the Contract Agreement, the Respondent shall certify that joint ventures, partnerships, team agreements, new corporations or other entities that either exist or will be formally structured are, or will be legal and binding under Louisiana law.

### **Certifications**

In submitting the proposal, the Respondent is indicating a willingness to comply with all terms and conditions of the RFP, including but not limited to those set forth in the attached HUD Forms and these Supplemental Conditions.

### **Personnel**

In submitting their proposals, Respondents are representing that the personnel described in their proposals shall be available to perform the services described for the duration of the contract period, barring illness, accident or other unforeseeable events of a similar nature in which cases the Respondent must be able to provide a qualified replacement. Such representation shall be valid for a minimum of 120 calendar days after the proposal due date and time. Furthermore, all personnel shall be considered to be, at all times, the sole employees of the Respondent under its sole direction, and not employees or agents of HANO.

### **Respondent Status**

The successful Respondent will be held to be an independent Consultant, and will not be an employee of HANO.

### **Assignment**

The successful Respondent shall not enter into any subcontracts, retain consultants, or assign, transfer, convey, sublet, or otherwise delegate its obligations under the contract resulting from this RFP, or any of its rights, title or interest therein, or its power to execute such contract to any person, company or corporation without the prior written consent and approval of the HANO.

**REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

**Advertising**

In submitting a proposal, the successful Respondent agrees not to use the results from it as a part of any commercial advertising. HANO does not permit law firms to advertise or promote the fact of their relationship with HANO in the course of marketing efforts, unless HANO specifically agrees otherwise.

**Media Relations**

The Contractor shall not make public comment on HANO matters without express written approval from HANO's Director of Communications. All media inquiries shall be referred to the Director of Communications.

# Attachment G Acknowledgment of Addenda



**REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

**ACKNOWLEDGEMENT OF ADDENDA**  
**(ATTACHMENT G)**

Respondent has received the following Addenda, receipt of which is hereby acknowledged:

Addendum Number: \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum Number: \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum Number: \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum Number: \_\_\_\_\_ Date Received: \_\_\_\_\_

\_\_\_\_\_  
(Company Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed or Typed Name)



# Attachment H

# Entry of Proposed

# Fees



**REQUEST FOR PROPOSALS (RFP) No. 24-913-40: On-Call Third Party Property Management**

**Entry of Proposed Fees**  
**(Attachment H)**

As stated within Section 3.2.1 of the 1.0 RFP Document: The proposed fees shall be submitted by the proposer and received by the Agency in its own sealed envelope. It is to be included, but kept separate in its own sealed envelope, with the sealed hard-copy proposals package. Do not refer to any fees or costs within the sealed, tabbed "hard copy" proposal submittal detailed within Section 3.0 of the 1.0 Document. Any proposer that does so may, at the Agency's discretion, be rejected without further consideration. As stated within Section 3.2.2. of the 1.0 RFP Document, the proposed fees are all-inclusive of all related costs that the Contractor will incur to provide the noted services, including, but not limited to: employee wages and benefits; clerical support; overhead; profit; taxes; licensing; insurance; materials; supplies; tools; equipment; long distance telephone calls; travel expenses; document copying not specifically agreed to by the Agency; etc.

(1)	(2)	(3)	(3)	(4)	(5)
RFP Section	Position/Expense	Description	Hourly Rate	Estimated # of Hours	Total
3.2.1.5	TOTAL ESTIMATED COST	Total Estimated Cost of Project			

# Attachment I Certification of Contractor Non- Exclusion



**CERTIFICATION OF CONTRACTOR NON-EXCLUSION**

This certification applies to a sole proprietor or any bidding entity or any individual partner, incorporator, director, manager, officer, organizer, or member, who has at least 10% ownership in the bidding entity, for consideration for award of contracts, in accordance with LA R.S. 38:2227.

A conviction of or plea of guilty or no contest to the following state crimes or equivalent federal crimes shall permanently bar any person or the bidding entity from bidding on public projects:

- (a) Public bribery
- (b) Corrupt Influencing
- (c) Extortion
- (d) Money laundering

A conviction of or plea of guilty or no contest to the following state crimes or equivalent federal crimes shall bar any person or the bidding entity from bidding on public projects for a period of five years from the date of conviction or from the date of the entrance of the plea of guilty or no contest:

- (a) Theft
- (b) Identity theft
- (c) Theft of a business record
- (d) False accounting
- (e) Issuing worthless checks
- (f) Bank fraud
- (g) Forgery
- (h) Contractors; misapplication of payments
- (i) Malfeasance in office

The five-year prohibition shall apply only if the crime was committed during the solicitation or execution of a contract or bid awarded pursuant to the provisions of LA R.S. Title 38, Chapter 10 – Public Contracts.

Should information be discovered about a bidding entity that would be cause for debarment, suspension, exclusion, or determination of ineligibility for award of a contract, HANO shall report and submit supporting documentation to the applicable regulatory agency.

I hereby attest that I have not been convicted of, or have not entered a plea of guilty or nolo contendere to any of the crimes listed above or equivalent crimes.

\_\_\_\_\_  
(Print)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

# Attachment J

# Vendor Registration

# Form





**VENDOR SETUP FORM**

Company Name: \_\_\_\_\_

Physical Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Owner/President: \_\_\_\_\_

Remit To Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Authorized Signature: \_\_\_\_\_

Contact Number: \_\_\_\_\_ Contact Fax: \_\_\_\_\_

Contact Email: \_\_\_\_\_ Company Website: \_\_\_\_\_

**Banking Information (Required for EFT Payment, if applicable):**

Bank Name: \_\_\_\_\_ Name on Bank Account: \_\_\_\_\_

Routing Number:

Account Number:

Type of Account:  Checking  Savings  Corporate/Commercial

Required: Taxpayer Identification Number: \_\_\_\_\_

**Type of Operation (Check all that apply):**

- Individual  Corporation  Manufacturer  Partnership  Distributor
- Sole Proprietorship  Retail Dealer  Agent/Broker  Limited Liability

**PLEASE ATTACH ANY REVISED INFORMATION INCLUDING W9 AND/OR BANKING UPDATED INFORMATION, AS REQUIRED.....**

Requisition #: \_\_\_\_\_ or N/A \_\_\_\_\_ (Direct pay items do not require a requisition #)

**Approvals:**

Requestor/Department: \_\_\_\_\_ Date: \_\_\_\_\_

Finance Approval: \_\_\_\_\_ Date: \_\_\_\_\_ 1099? Y N

Procurement Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Date Entered: \_\_\_\_\_ Entered By: \_\_\_\_\_

\* Attach Documentation (If Provided)

## Select All Applicable Products/Service in Each Category:

### Voice Services & Products:

- Call Accounting
- Calling Cards
- Local Services
- Voice Bridging
- VoIP Solutions
- Call Center
- Telephone Equipment
- Long Distance Services
- Voice Systems
- Wireless/Cellular
- Other: \_\_\_\_\_
- Other: \_\_\_\_\_

### Network/Internet Services & Products:

- Converged Network Provider
- Internet Access
- Virtual Learning
- Custom Network/Internet Solutions
- Network Equipment
- Wireless LAN/MAN/WAN
- Other: \_\_\_\_\_
- Other: \_\_\_\_\_

### Video Services & Products:

- Audio/Visual Equipment
- Interactive Video & Multimedia Equipment
- Video Bridging
- Integration Services
- Network Access
- Other: \_\_\_\_\_
- Other: \_\_\_\_\_

### e-Learning Solutions:

- Course/Learning Management Application
- Training/Certification
- Course Content Provider
- Hosting – ASP Services
- Other: \_\_\_\_\_
- Other: \_\_\_\_\_

### Computer Services & Products:

- Application Software (Microsoft, Adobe, Lotus, etc.)
- E-mail Applications
- Network Devices
- SAN, Enterprise, Etc.
- Web & Application Hosting/IT Services
- Computers, Servers & Add-On Components
- Internet Content Filtering Applications & Devices
- Peripheral Equipment
- Storage Systems
- Other: \_\_\_\_\_
- Other: \_\_\_\_\_

### Additional Services & Products:

- Auditors
- Electrical Generators & Power Suppression Equip
- Office Furniture
- Consulting
- Library Supplies, Equipment & Furniture
- Office Supplies & Equipment
- Other: \_\_\_\_\_
- Other: \_\_\_\_\_
- Other: \_\_\_\_\_

Circle all that Apply: (DBE) (WBE) (MBE) (Section 3) (Small Business)

Required: (Attach a copy of your certification for all items circled above)

Check one: \_\_\_ African American \_\_\_ Hispanic \_\_\_ Native American \_\_\_ Asian \_\_\_ Caucasian \_\_\_ Other

## **Definitions:**

**Disadvantage Business Enterprise (DBE)** – A business enterprise that is 51% or more owned, controlled, and actively operated by one or more persons who are classified as members of a racial minority group, such as African American, Hispanic American, Asian Pacific American, Asian Indian American, Native American, Aleuts or Hasidic Jewish Americans.

**Woman Business Enterprise (WBE)** - A business enterprise that is 51% or more owned, controlled, and actively operated by one or more women.

**Section 3 Business** - A business that meets one of the following:

1. 51% or more owned and controlled by a resident of any HANO Housing site or whose full-time permanent workforce includes 30% of HANO residents of any housing site;
2. Hud Youthbuild Program in Orleans Parish;
3. Business concerns that are 51% or more owned and controlled by HANO residents or are low or very low-income Orleans Parish Residents or whose full-time permanent workforce includes 30% of HANO residents or low/very low-income Orleans Parish residents;
4. Business that subcontracts in excess of 25% of the total amount of subcontracts to business concerns identified in the preferences above.

**Small Business Enterprise (SBE)** — A business concern, including its affiliates, that is independently owned and operated and is not dominant in the field of operation for which it is bidding and qualifies as a small business under the criteria and size standards in 13 CFR Part 121 (see FAR 19.102).



## DECLARATION BY VENDOR

**I confirm that:**

- i) Neither I nor any employee of \_\_\_\_\_ is in any way connected to the Housing Authority of New Orleans or its employees or an immediate family member of any Housing Authority of New Orleans employee.
- ii) For each relationship, I will include a brief statement describing the relationship.
- iii) The information furnished is correct to the best of my knowledge and belief.

\_\_\_\_\_  
Printed Name of Authorized Signatory

\_\_\_\_\_  
Signature

# Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

**1** Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

---

**2** Business name/disregarded entity name, if different from above

---

**3** Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

Individual/sole proprietor or single-member LLC

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ \_\_\_\_\_

Other (see instructions) ▶ \_\_\_\_\_

C Corporation

S Corporation

Partnership

Trust/estate

**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

**4** Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) \_\_\_\_\_

Exemption from FATCA reporting code (if any) \_\_\_\_\_

*(Applies to accounts maintained outside the U.S.)*

**5** Address (number, street, and apt. or suite no.) See instructions.

**6** City, state, and ZIP code

**7** List account number(s) here (optional)

Requester's name and address (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**

			-			-				
--	--	--	---	--	--	---	--	--	--	--

or

**Employer identification number**

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

## Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here**      Signature of U.S. person ▶      Date ▶

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.
- If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; do not leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(ii)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

### Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

### Line 6

Enter your city, state, and ZIP code.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

### What Name and Number to Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
5. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee <sup>1</sup> The actual owner <sup>1</sup>
6. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor <sup>4</sup>

For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

**\*Note:** The grantor also must provide a Form W-9 to trustee of trust.

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

### Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
  - Ensure your employer is protecting your SSN, and
  - Be careful when choosing a tax preparer.
- If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.IdentityTheft.gov](http://www.IdentityTheft.gov) and Pub. 5027.

Visit [www.irs.gov/IdentityTheft](http://www.irs.gov/IdentityTheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

# Attachment K Corporate Resolution Form

(Can Use this Form or Submit your own Resolution  
Form)





CORPORATE RESOLUTION

I, \_\_\_\_\_, the undersigned Secretary of \_\_\_\_\_ (The "Corporation") hereby certifies that: The Corporation is duly organized and existing under the laws of the State of \_\_\_\_\_ and the following is true, accurate and complete transcript of a resolution contained in the minute book of the Board of Directors of said Corporation duly held on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ at which meeting there was present and acting throughout a quorum authorized to transact business hereinafter described, and that the proceedings of said meeting were in accordance with the charter and by-laws of said Corporation and that said resolutions have not been amended or revoked and are in full force and effect:

Resolved, that \_\_\_\_\_ (name), \_\_\_\_\_ (title) of the Corporation, be and is hereby authorized and empowered to sign any and all documents on behalf of said Corporation, and to take such steps, and do such other acts and things, as in his or her judgment may be necessary, appropriate or desirable in connection with any proposal submitted to, or any contract entered into with the City of Austin: and,

Resolved, that any and all transactions by and of the officers or representatives of the Corporation, in its name and for its account, with the City of Austin prior to the adoption of these resolutions be, and they are hereby, ratified and approved for all purposes.

Witness my hand and seal of the Corporation this \_\_\_\_\_ day of \_\_\_\_\_, 202\_.

\_\_\_\_\_  
Secretary-Treasurer

(Corporate Seal)

# RFP Attachment L M (HUD-5370-C Section I)



# General Conditions for Non-Construction Contracts

## Section I – (With or without Maintenance Work)

### U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 1/01/2014)

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**Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:**

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$100,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) **greater than \$2,000 but not more than \$100,000 - use Section II;** and
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$100,000 – use Sections I and II.**

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**Section I - Clauses for All Non-Construction Contracts greater than \$100,000**  
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### 1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

### 2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

- (d) proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

### 3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

### 4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
  - (i) appeals under the clause titled Disputes;
  - (ii) litigation or settlement of claims arising from the performance of this contract; or,
  - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

**5. Rights in Data (Ownership and Proprietary Interest)**

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

**6. Energy Efficiency**

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

**7. Disputes**

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

**8. Contract Termination; Debarment**

**9. Assignment of Contract**

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

**10. Certificate and Release**

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

**11. Organizational Conflicts of Interest**

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
  - (i) Award of the contract may result in an unfair competitive advantage; or
  - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

**12. Inspection and Acceptance**

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

### 13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

### 14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

### 15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before 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 any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person 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 any of the following covered Federal actions: 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.
- (ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

## 16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

## 17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

## 18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

## 19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

## 20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

## 21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

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apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

## **22. Procurement of Recovered Materials**

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.



# General Conditions for Non-Construction Contracts

## Section II – (With Maintenance Work)

### U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 1/01/2014)

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**Applicability. This form HUD-5370C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:**

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- 3) Maintenance contracts (including nonroutine maintenance), greater than \$100,000 – use Sections I and II.

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**Section II – Labor Standard Provisions for all Maintenance Contracts greater than \$2,000**  
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### 1. Minimum Wages

- (a) All maintenance laborers and mechanics employed under this Contract in the operation of the project(s) shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Housing and Urban Development which is attached hereto and made a part hereof. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination, including any additional classifications and wage rates approved by HUD under subparagraph 1(b), shall be posted at all times by the Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.
- (b) (i) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate only when the following criteria have been met:
  - (1) The work to be performed by the classification required is not performed by a classification in the wage determination;
  - (2) The classification is utilized in the area by the industry; and
  - (3) The proposed wage rate bears a reasonable relationship to the wage rates contained in the wage determination.
- (ii) The wage rate determined pursuant to this paragraph shall be paid to all workers performing work

in the classification under this Contract from the first day on which work is performed in the classification.

### 2. Withholding of funds

The Contracting Officer, upon his/her own action or upon request of HUD, shall withhold or cause to be withheld from the Contractor under this Contract or any other contract subject to HUD-determined wage rates, with the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the Contractor or any subcontractor the full amount of wages required by this clause. In the event of failure to pay any laborer or mechanic employed under this Contract all or part of the wages required under this Contract, the Contracting Officer or HUD may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment or advance until such violations have ceased. The Public Housing Agency or HUD may, after written notice to the Contractor, disburse such amounts withheld for and on account of the Contractor or subcontractor to the respective employees to whom they are due.

### 3. Records

- (a) The Contractor and each subcontractor shall make and maintain for three (3) years from the completion of the work records containing the following for each laborer and mechanic:
  - (i) Name, address and Social Security Number;
  - (ii) Correct work classification or classifications;
  - (iii) Hourly rate or rates of monetary wages paid;
  - (iv) Rate or rates of any fringe benefits provided;
  - (v) Number of daily and weekly hours worked;
  - (vi) Gross wages earned;
  - (vii) Any deductions made; and
  - (viii) Actual wages paid.
- (b) The Contractor and each subcontractor shall make the records required under paragraph 3(a) available for inspection, copying, or transcription by authorized representatives of HUD or the HA and shall permit such representatives to interview employees during working hours on the job. If the Contractor or any subcontractor fails to make the required records available, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance or guarantee of funds.

### 4. Apprentices and Trainees

- (a) Apprentices and trainees will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in:
  - (i) A bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration (ETA), Office of

Apprenticeship Training, Employer and Labor Services (OATELS), or with a state apprenticeship agency recognized by OATELS, or if a person is employed in his/her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a state apprenticeship agency (where appropriate) to be eligible for probationary employment as an apprentice;

- (ii) A trainee program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, ETA; or
  - (iii) A training/trainee program that has received prior approval by HUD.
- (b) Each apprentice or trainee must be paid at not less than the rate specified in the registered or approved program for the apprentice's/trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices and trainees shall be paid fringe benefits in accordance with the provisions of the registered or approved program. If the program does not specify fringe benefits, apprentices/trainees must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification.
- (c) The allowable ratio of apprentices or trainees to journeyman on the job site in any craft classification shall not be greater than the ratio permitted to the employer as to the entire work force under the approved program.
- (d) Any worker employed at an apprentice or trainee wage rate who is not registered in an approved program, and any apprentice or trainee performing work on the job site in excess of the ratio permitted under the approved program, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed.
- (e) In the event OATELS, a state apprenticeship agency recognized by OATELS or ETA, or HUD, withdraws approval of an apprenticeship or trainee program, the employer will no longer be permitted to utilize apprentices/trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

## 5. Disputes concerning labor standards

- (a) Disputes arising out of the labor standards provisions contained in Section II of this form HUD-5370-C, other than those in Paragraph 6, shall be subject to the following procedures. Disputes within the meaning of this paragraph include disputes between the Contractor (or any of its subcontractors) and the HA, or HUD, or the employees or their representatives, concerning payment of prevailing wage rates or proper classification. The procedures in this section may be initiated upon HUD's own motion, upon referral of the HA, or upon request of the Contractor or subcontractor(s).
- (i) A Contractor and/or subcontractor or other interested party desiring reconsideration of findings of violation by the HA or HUD relating to the payment of straight-time prevailing wages or classification of work shall request such reconsideration by letter postmarked within 30 calendar days of the date of notice of findings issued by the HA or HUD. The request shall set

forth those findings that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The request shall be directed to the appropriate HA or HUD official in accordance with instructions contained in the notice of findings or, if the notice does not specify to whom a request should be made, to the Regional Labor Relations Officer (HUD).

- (ii) The HA or HUD official shall, within 60 days (unless otherwise indicated in the notice of findings) after receipt of a timely request for reconsideration, issue a written decision on the findings of violation. The written decision on reconsideration shall contain instructions that any appeal of the decision shall be addressed to the Regional Labor Relations Officer by letter postmarked within 30 calendar days after the date of the decision. In the event that the Regional Labor Relations Officer was the deciding official on reconsideration, the appeal shall be directed to the Director, Office of Labor Relations (HUD). Any appeal must set forth the aspects of the decision that are in dispute and the reasons, including any affirmative defenses, with respect to the violations.
- (iii) The Regional Labor Relations Officer shall, within 60 days (unless otherwise indicated in the decision on reconsideration) after receipt of a timely appeal, issue a written decision on the findings. A decision of the Regional Labor Relations Officer may be appealed to the Director, Office of Labor Relations, by letter postmarked within 30 days of the Regional Labor Relations Officer's decision. Any appeal to the Director must set forth the aspects of the prior decision(s) that are in dispute and the reasons. The decision of the Director, Office of Labor Relations, shall be final.

- (b) Disputes arising out of the labor standards provisions of paragraph 6 shall not be subject to paragraph 5(a) of this form HUD-5370C. Such disputes shall be resolved in accordance with the procedures of the U.S. Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this paragraph 5(b) include disputes between the Contractor (or any of its subcontractors) and the HA, HUD, the U.S. Department of Labor, or the employees or their representatives.

## 6. Contract Work Hours and Safety Standards Act

The provisions of this paragraph 6 are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" includes watchmen and guards.

- (a) **Overtime requirements.** No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- (b) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the provisions set forth in paragraph 6(a), the Contractor and any

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subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to the District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provisions set forth in paragraph (a) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in paragraph (a) of this clause.

- (c) **Withholding for unpaid wages and liquidated damages.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the U.S. Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such Contract or any federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in paragraph (b) of this clause.

## 7. Subcontracts

The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this Section II and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the provisions contained in these clauses.

## 8. Non-Federal Prevailing Wage Rates

Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under state law to be prevailing, with respect to any employee in any trade or position employed under the Contract, is inapplicable to the contract and shall not be enforced against the Contractor or any subcontractor, with respect to employees engaged under the contract whenever such non-Federal prevailing wage rate, exclusive of any fringe benefits, exceeds the applicable wage rate determined by the Secretary of HUD to be prevailing in the locality with respect to such trade or position.

# **RFP Attachment M (Non-Collusive Affidavit)**



**HOUSING AUTHORITY OF NEW ORLEANS  
PROCUREMENT AND CONTRACTS DEPARTMENT  
ON-CALL T R PART PROPERT  
MANA EMENT  
REQUEST FOR PROPOSALS NO. 24-913-40**

**NON-COLLUSIVE AFFIDAVIT**

**(Respondent)**

**State of** \_\_\_\_\_

**City/County of** \_\_\_\_\_

\_\_\_\_\_ Being duly sworn, deposes and says:

(Name)

That he/she is \_\_\_\_\_  
(A partner or officer of the firm of, etc.)

The party making the foregoing Proposal/Quote/Bid, affirms that such Proposal/Quote/Bid is genuine and not collusive or sham: that said **OFFEROR** has not colluded, conspired, connived or agreed, directly or indirectly with any **OFFEROR** or other person, to put in a sham Proposal/Quote/Bid, or to refrain from proposing/quoting/bidding, and has not in any manner, directly or indirectly, sought by agreement, collusion, communication or conference with any person, to fix the Proposal/Quote/Bid price for affiant or any other **OFFEROR**, or to fix any overhead, profit or cost element of said Proposal/Quote/Bid price, for affiant or that of any other **OFFEROR**, or to secure any advantage against the Housing Authority of New Orleans, or to secure any personal interest in the proposed contract(s), and that all statements in said Proposal/Quote/Bid are true.

Signature of

\_\_\_\_\_  
Respondent, if an individual

\_\_\_\_\_  
Partner, if the OFFEROR is a partnership

\_\_\_\_\_  
Officer, if the OFFEROR is a corporation

**Subscribed and Sworn to before me**

**This** \_\_\_\_\_ **day of** \_\_\_\_\_, **20**\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires \_\_\_\_\_.