

HOUSING COMMISSION AGENDA

Regular Meeting: July 9, 2014

Time: 8:00 a.m.

Nidus Court Recreation Room, 2020 Nidus Court, Union City, CA 94587

The public is welcome at all Housing Commission meetings. If you wish to speak on a matter NOT on the Agenda, please file a Public Comment card with the Commission Clerk. Upon recognition by the Chairperson during Public Comment, state your name, comments and/or questions. Anyone wishing to address the Commission on an agenda item or on business introduced by the Housing Commission may do so when the Chairperson calls for comments on the agenda item. Please be brief and limit your comments to the specific subject under discussion. NOTE: Only matters within the Housing Commission's jurisdiction may be addressed.

To allow the opportunity for all to speak, a time limit of 3 minutes has been set for public speakers wishing to address the Housing Commission. The Chairperson has the discretion to further limit this time if warranted by the number of speakers.

The Housing Commission Secretary of the Housing Authority of the County of Alameda has, on Thursday, July 3, 2014 duly distributed this Agenda to the Clerk of the Board of Supervisors for posting in the office of the Alameda County Administration Building and has posted it on the bulletin board of the Housing Authority of the County of Alameda.

***AMERICANS WITH DISABILITIES:** In compliance with the Americans with Disabilities Act, if special assistance to participate in this meeting is needed, please contact the Housing Authority office at (510) 727-8511. Notification at least 48 hours prior to the meeting will enable the Housing Authority to make reasonable arrangements.*

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ELECTION OF OFFICERS

July 9, 2014

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: July 9, 2014

Subject: Election of Officers

Exhibits Attached: None

Recommendation: Elect officers to the Chairperson and Vice Chairperson positions

DISCUSSION

In accordance with the Commission's bylaws, your Commission must elect, by a majority vote, a Chairperson and Vice-Chairperson for a term of one year. At the June meeting, your Commission appointed Commissioners Gacoscos and Gerry as the Nominating Committee.

The Nominating Committee will formally present the candidates that they have selected for the Chairperson and Vice-Chairperson positions and an election will be held. The newly-elected officers will take their seats immediately and the newly-elected Chairperson will chair the meeting.

MINUTES
June 11, 2014



**HOUSING COMMISSION MINUTES
REGULAR MEETING: JUNE 11, 2014
NIDUS RECREATION ROOM, 2020 NIDUS COURT, UNION CITY, CA 94587**

SUMMARY ACTION MINUTES

1. CALL TO ORDER/ROLL CALL

Call to Order

Commissioner Steiner called the meeting to order at 8:02 a.m.

Roll Call

Present: Cmr. Apodaca, Cashmere, Gacosos, Gerry, Haddock, Iosefa, Peixoto and Steiner

Entered after Roll Call: Cmr. Natarajan

Excused: Cmr. Asher, Biddle and Reed

2. APPROVAL OF THE MINUTES OF THE MAY 14, 2014 COMMISSION MEETING

Recommendation: Approve the minutes of the May 14, 2014 meeting as presented.

Motion/Second: Peixoto/Gacosos.

Ayes: 7; 1 abstention: Cmr. Apodaca; 1 not present for the vote: Cmr. Natarajan. Motion passed.

APPROVED AS RECOMMENDED.

4. PUBLIC COMMENT - On matters not on the agenda.

None.

4. NEW BUSINESS

4.1. RESOLUTION NO. 05-14: TERMINATING CONTRACT WITH WORLD PRIORITY LLC

Christine Gouig, Executive Director, presented the staff report. Ms. Gouig reported that World Priority, LLC (World Priority), the contractor selected for the exterior siding project at the Emery Glen public housing complex, has failed to perform in accordance with the specifications in its contract with HACA and that staff recommends terminating the contract. She introduced Audrey Beaman from the County Counsel's office who explained the action that the Commission has to take in order to terminate the contract.

Recommendation: Adopt Resolution No. 05-14 to terminate contract with World Priority, LLC.

Commission Discussion: Cmr. Steiner asked staff to convey a message of concern from the Commission to the residents of Emery Glen.

Motion/Second: Apodaca/Gacosos.

Ayes: All Motion passed.

APPROVED AS RECOMMENDED.

4.2. RESOLUTION NO. 06-14: APPROVING CONTRIBUTION TO THE ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (ACERA)

Christine Gouig presented the staff report. Ms. Gouig reported that the contribution to ACERA to fund

HACA's 401(h) subaccount for the fiscal year beginning July 1, 2014 is \$206,193.54.

Recommendation: Adopt Resolution No. 06-14 approving the contribution of \$206,193.54 to ACERA for the fiscal year beginning July 1, 2014.

Motion/Second: Gerry/Haddock.

Ayes: All Motion passed.

APPROVED AS RECOMMENDED.

4-3. RESOLUTION NO. 07-14 APPROVING OPERATING BUDGET FOR FISCAL YEAR JULY 1, 2014 – JUNE 30, 2015

Christine Gouig introduced this item and gave an update on the status of the federal budget. Cathy Leoncio, Finance Director, presented the staff report. Ms. Leoncio reported that the proposed operating budget was presented to the Commission's Budget/Audit/Negotiations Committee at a meeting held on May 22 and that the Committee recommends approval. She summarized the income and expenses in the proposed budget and described the impact of HUD's reduced funding on the budget projections.

Recommendation: Adopt Resolution No. 07-14 approving the operating budget for the July 1, 2014 – June 30, 2015 fiscal year.

Commission Discussion: Cmr. Peixoto and Ms. Leoncio discussed the costs associated with moving staff back to the HACA main office once construction is completed on that building. They also discussed how portability has impacted HACA's budget.

Cmr. Gerry asked for the amount of the grant that HACA received from Preserving Alameda County Housing, Inc. (PACH) and Ms. Leoncio stated that the grant amount was \$350,000.00. Cmr. Cashmere and Ms. Gouig discussed PACH's source of funding. Ms. Gouig commented that creation of PACH is the second of a three-part strategy to secure alternate sources of funding.

Cmr. Steiner commented that the recent appointment of a new HUD Secretary presents housing authorities with an opportunity to advocate for regulatory relief. Ms. Gouig stated that housing organizations such as the California Association of Housing Authorities (CAHA), the National Association of Housing and Redevelopment Officials (NAHRO) and the Public Housing Authorities Directors Association (PHADA) are working with housing authorities to advocate for regulatory relief. Cmr. Peixoto and Ms. Gouig discussed some of the initiatives that have been carried out by CAHA. Cmr. Steiner suggested that staff draft a letter to elected officials for the Commission to sign. Cmr. Steiner also commented that employee unions need to help in these efforts to advocate for regulatory relief.

Public Comment: Santos Quintero, SEIU Local 1021 (SEIU), commented on SEIU's advocacy efforts.

Motion/Second: Gerry/Peixoto.

Ayes: All Motion passed.

APPROVED AS RECOMMENDED.

4-4. ACTION: EXTEND CONTRACT WITH URS CORPORATION FOR CONSTRUCTION MANAGEMENT SERVICES

Thomas Makin, Acting Deputy Director for Operations, presented the staff report. Mr. Makin reported that staff recommends amending the contract for construction management services with URS Corporation (URS) to cover construction management services that may be required toward the completion of the HACA main office remodel project. Mr. Makin stated that the amended contract amount of \$402,076 shown in the staff report is an error and that the correct amended contract amount should read "not to exceed \$392,076."

Recommendation: Approve an amendment to the contract for construction management services

with URS corporation for a total amount not to exceed \$392,076.00.

Motion/Second: Gacoscos/Gerry

Ayes: All Motion passed.

APPROVED AS RECOMMENDED.

4-5. ACTION: APPOINT A NOMINATING COMMITTEE FOR OFFICERS

Christine Gouig presented the staff report. After a brief discussion, Cmr. Gacoscos and Gerry agreed to serve as the Nominating Committee to recommend candidates for the position of Chairperson and Vice-Chairperson of the Housing Commission.

Recommendation: Appoint Cmr. Gacoscos and Gerry to serve on the Nominating Committee.

Motion/Second: Natarajan/Apodaca.

Ayes: All Motion passed.

APPROVED AS RECOMMENDED.

4-6. INFORMATION: BUDGET STATUS REPORT

Report received with no questions or comments from the Commission.

4-7. INFORMATION: PROGRAM ACTIVITY REPORT

Daniel Taylor, Special Programs Manager, reported that an application for FSS funding has been submitted to and received by HUD. He thanked Jennifer Cado, Senior Administrative Analyst, for her assistance with the application. Mr. Taylor also reported on the FSS workshops that were held in May.

Commission Discussion: Cmr. Steiner, Cmr. Gerry and Ms. Gouig discussed the recent rise in rents and the impact that this is having on Section 8 tenants and on the number of landlords who participate in the Section 8 program. Cmr. Gerry suggested that staff reach out to the landlords to let them know about HACA's free rental listing service, particularly since some landlords are not members of the various landlord associations. Cmr. Natarajan shared information from an article that she read in the National Housing Coalition newsletter regarding wages and housing affordability.

6. COMMITTEE REPORTS

None.

7. COMMISSIONER REPORTS

Cmr. Steiner provided an update on the status of the Kottinger Place public housing redevelopment project in Pleasanton.

8. COMMUNICATIONS

Ms. Gouig announced that there will be a Commission meeting on July 9, 2014 at 8:00 a.m.

9. ADJOURNMENT

There being no further business, Chairperson Reed adjourned the meeting at 8:56 a.m.

Respectfully submitted,

Christine Gouig
Executive Director/Housing Commission Secretary

Melissa Taesali
Executive Assistant

Approved:

Housing Commission Chairperson

NEW BUSINESS

July 9, 2014

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: July 9, 2014

Subject: RAD Amendment to Annual Plan

Exhibits Attached: - Attachment A: Amendment to Annual Plan
 - Resident Advisory Board Meeting Minutes
 - Resolution No. 08-14

Recommendation: Conduct a Public Hearing and Act on Proposed Amendment

BACKGROUND

Last October, as authorized by your Commission, staff submitted a Rental Assistance Demonstration (RAD) application to HUD to convert HACA's remaining 72 units of public housing (Mission View and Emery Glen) to Project-Based Vouchers. That application has been accepted by HUD and now awaits Congressional action to increase the ceiling on the allowable number of RAD conversions nationally. Notwithstanding the approval limbo in which HACA's application now waits, HUD has advised HACA that it should approve the attached Significant Amendment to its 2014 Annual Plan now. The rationale for doing so is to move HACA's RAD conversion forward more quickly if and when HUD gains the authority to act on it.

DISCUSSION and ANALYSIS

Staff has developed the attached amendment (Attachment "A") according to HUD. The purpose of the amendment is to ensure that the housing authority adopts the resident rights, and participation, wait list and grievance procedure safeguards set forth in the amendment.

On July 1, 2014, Staff consulted with the Resident Advisory Board (RAB) regarding the proposed amendment. Minutes of the meeting along with staff responses are attached. No changes to the amendment are proposed as a result of the consultation with the RAB. Staff recommends that your Commission conduct a public hearing, for which the required notice has been published, and approve the proposed amendment.

Housing Authority of the County of Alameda (HACA)
Resident Advisory Board (RAB) Meeting – RAD and Flat Rent Amendments
July 1, 2014, 6:00 P.M.
Summary

Resident Advisory Board Members Present:

Sherett Lawrence
Goljan Zamani

Staff Present:

Ron Dion, Deputy Director for Programs

Absent:

Tonya Fuller-Bryant Swameka Martin
Helen Iosefa Maxine Haddock

The RAB met by conference call at 6:00 PM, at which time Ron Dion described the Agency Plan (Plan) requirements to the participants and the process that HACA follows in amending the Plan, namely:

- staff development of the amendment(s);
- review of the draft amendment(s) with the RAB for information and comments;
- submission of the proposed amendment(s) to the HACA Housing Commission for approval along with any comments from the RAB and staff responses to the comments; and
- submission of the Plan approved by the Housing Commission to HUD.

RAB members had been mailed the draft amendments prior to the conference call. RAB members on the call indicated that they had received the draft amendments.

Mr. Dion described the draft amendments, namely:

- **Flat Rents:** Previously, Public Housing flat rents have been based on the market rate of comparable units in the private, unassisted rental market. The Consolidated Appropriations Act of 2014 now requires that flat rents be set at no less than 80 percent of the applicable Fair Market Rent (FMR) set annually by HUD. Rents are phased in if the new flat rents increase a tenant's rent by more than 35 percent.
- **HUD Rental Assistance Demonstration (RAD) Program:** Last October, HACA submitted a RAD application to HUD to convert HACA's remaining 72 units of public housing (Mission View and Emery Glen) to Project-Based Vouchers. That application has been accepted by HUD and now awaits Congressional action to increase the ceiling on the allowable number of RAD conversions nationally. To clear the path for that application to move as quickly as possible, HUD has advised HACA that it should approve the attached Significant Amendment to its 2014 Annual Plan now. The Amendment contains important resident rights and protections.

The RAB members had no questions or comments and no changes to the proposed amendments is recommended.

Mr. Dion thanked the RAB participants for their participation and invited them to attend the July 9 Housing Commission meeting at which time the Commission would act on the amendments.

The meeting adjourned at 6:15 PM.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

RESOLUTION NO. 08-14

**RESOLUTION AMENDING THE HOUSING AUTHORITY’S ANNUAL PUBLIC HOUSING AGENCY PLAN
FOR THE JULY 1, 2014 – JUNE 30, 2015 FISCAL YEAR TO INCORPORATE PROVISIONS
FOR HUD’S RENTAL ASSISTANCE DEMONSTRATION PROGRAM**

WHEREAS, the U.S. Department of Housing and Urban Development (“HUD”) requires that housing authorities submit an annual Public Housing Agency Plan (“PHA Plan”); and

WHEREAS, the Housing Authority of the County of Alameda (“HACA”) submitted its annual PHA Plan to HUD for the fiscal year beginning July 1, 2014 in April 2014; and

WHEREAS, a significant amendment to HACA’s PHA Plan is required in order to address all of the required elements for HACA’s participation HUD’s Rental Assistance Demonstration Program (“RAD”); and

WHEREAS, the significant amendment to the PHA Plan was made available for public inspection, the HACA Resident Advisory Board (“RAB”) was given the opportunity to review and comment on the proposed significant amendment to the PHA Plan, and a public hearing to discuss the proposed significant amendment to the PHA Plan was held;

NOW, THEREFORE, BE IT RESOLVED, that the Housing Commission of the Housing Authority of the County of Alameda does hereby adopt the proposed significant amendment to the PHA Plan as presented and authorizes the Executive Director or her designee to 1) sign and submit the amended annual PHA Plan to HUD and 2) sign and submit any other documents or information requested by HUD and 3) execute any and all documents that may be required to complete the annual PHA Plan approval process.

PASSED, APPROVED, AND ADOPTED by the Housing Commission of the Housing Authority of the County of Alameda on this _____ day of _____ 2014, by the following vote:

AYES:

NAYS:

ABSTAIN:

EXCUSED:

ABSENT:

Housing Commission Chairperson

Attest:

Christine Gouig
Executive Director/Housing Commission Secretary

Adopted:_____

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: July 9, 2014

Subject: Flat Rent Amendment to Annual Plan

Exhibits Attached:

- Amendment to Annual Plan
- Resident Advisory Board Meeting Minutes
- Resolution No. 09-14

Recommendation: Conduct a Public Hearing and Act on Proposed Amendment

BACKGROUND

The Consolidated Appropriations Act of 2014 requires Public Housing flat rents to be set at no less than 80 percent of the applicable HUD Fair Market Rent (FMR) by October 31, 2014. When, as is the case with HACA, a housing authority must increase its flat rents to comply with the statutory changes, the increase is considered a Significant Amendment to its Annual Plan for which consultation with the authority's Resident Advisory Board (RAB) and a public hearing are required.

DISCUSSION and ANALYSIS

A family residing in Public Housing may choose between having its rent based on the housing authority's flat rent schedule or having it determined by the family's income. Heretofore, Public Housing flat rents have been based on the market rate of comparable units in the private, unassisted rental market. FMRs are gross rent estimates set annually by HUD.

When the new flat rent amount for a unit will increase a family's existing rental payment by more than 35 percent, the new flat rent amount must be phased in as necessary to insure that the family's current rental payment does not increase by more than 35 percent annually. The 35 percent requirement impacts our implementation of the new 3- and 4-BR flat rents as follows:

BR Size	80% of FMR	First Year Flat Rent Limited by 35% Increase Limit
2 BR	\$1,263	\$1,263
3 BR	\$1,764	\$1,630
4 BR	\$2,164	\$1,914

On July 1, 2014, staff consulted with the RAB regarding the proposed amendment. Minutes of the meeting along with staff responses are attached. No changes to the amendment are proposed as a result of the consultation with the RAB. Staff recommends that your Commission conduct a public hearing, for which the required notice has been published, and approve the proposed amendment. Effective upon your approval, the new flat rent schedule will be applied to current Public Housing tenants upon their next annual recertification and to new tenants upon admission. Eight current tenant families are affected by this change.

Flat Rent Significant Amendment

The Housing Authority of the County of Alameda hereby amends its flat rent policies to comply with the statutory changes contained within Public Law 113 – 76, the Fiscal Year 2014 Appropriations Act.

The Housing Authority of the County of Alameda will set the flat rental amount for each public housing unit that complies with the requirement that all flat rents be set at no less than 80 percent of the applicable Fair Market Rent (FMR) adjusted, if necessary, to account for reasonable utilities costs. The new flat rental amount will apply to all new program admissions effective October 1, 2014. For current program participants that pay the flat rental amount, the new flat rental amount will be offered, as well as the income-based rental amount, at the next annual rental option.

The Housing Authority of the County of Alameda will place a cap on any increase in a family's rental payment that exceeds 35 percent, and is a result of changes to the flat rental amount as follows:

- Multiply the existing flat rental payment by 1.35 and compare that to the updated flat rental amount;
- The PHA will present two rent options to the family as follows:
 - the lower of the product of the calculation and the updated flat rental amount; and
 - the income-based rent.

Housing Authority of the County of Alameda (HACA)
Resident Advisory Board (RAB) Meeting – RAD and Flat Rent Amendments
July 1, 2014, 6:00 P.M.
Summary

Resident Advisory Board Members Present:

Sherett Lawrence
Goljan Zamani

Staff Present:

Ron Dion, Deputy Director for Programs

Absent:

Tonya Fuller-Bryant Swameka Martin
Helen Iosefa Maxine Haddock

The RAB met by conference call at 6:00 PM, at which time Ron Dion described the Agency Plan (Plan) requirements to the participants and the process that HACA follows in amending the Plan, namely:

- staff development of the amendment(s);
- review of the draft amendment(s) with the RAB for information and comments;
- submission of the proposed amendment(s) to the HACA Housing Commission for approval along with any comments from the RAB and staff responses to the comments; and
- submission of the Plan approved by the Housing Commission to HUD.

RAB members had been mailed the draft amendments prior to the conference call. RAB members on the call indicated that they had received the draft amendments.

Mr. Dion described the draft amendments, namely:

- **Flat Rents:** Previously, Public Housing flat rents have been based on the market rate of comparable units in the private, unassisted rental market. The Consolidated Appropriations Act of 2014 now requires that flat rents be set at no less than 80 percent of the applicable Fair Market Rent (FMR) set annually by HUD. Rents are phased in if the new flat rents increase a tenant's rent by more than 35 percent.
- **HUD Rental Assistance Demonstration (RAD) Program:** Last October, HACA submitted a RAD application to HUD to convert HACA's remaining 72 units of public housing (Mission View and Emery Glen) to Project-Based Vouchers. That application has been accepted by HUD and now awaits Congressional action to increase the ceiling on the allowable number of RAD conversions nationally. To clear the path for that application to move as quickly as possible, HUD has advised HACA that it should approve the attached Significant Amendment to its 2014 Annual Plan now. The Amendment contains important resident rights and protections.

The RAB members had no questions or comments and no changes to the proposed amendments is recommended.

Mr. Dion thanked the RAB participants for their participation and invited them to attend the July 9 Housing Commission meeting at which time the Commission would act on the amendments.

The meeting adjourned at 6:15 PM.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

RESOLUTION NO. 09-14

**RESOLUTION AMENDING THE HOUSING AUTHORITY’S ANNUAL PUBLIC HOUSING AGENCY PLAN
FOR THE JULY 1, 2014 – JUNE 30, 2015 FISCAL YEAR TO INCORPORATE A REVISION
TO THE HOUSING AUTHORITY’S FLAT RENT POLICIES**

WHEREAS, the U.S. Department of Housing and Urban Development (“HUD”) requires that housing authorities submit an annual Public Housing Agency Plan (“PHA Plan”); and

WHEREAS, in April 2014, the Housing Authority of the County of Alameda (“HACA”) submitted its annual PHA Plan to HUD for the fiscal year beginning July 1, 2014; and

WHEREAS, a Significant Amendment to HACA’s PHA Plan is required in order to incorporate a revision to HACA’s flat rent policies to comply with statutory changes contained within Public Law 113-76, the Fiscal Year Appropriation Act; and

WHEREAS, the amendment to the PHA Plan was made available for public inspection, the HACA Resident Advisory Board (“RAB”) was given the opportunity to review and comment on the proposed amendment to the PHA Plan, and a public hearing to discuss the proposed amendment to the PHA Plan was held;

NOW, THEREFORE, BE IT RESOLVED, that the Housing Commission of the Housing Authority of the County of Alameda does hereby adopt the proposed amendment to the PHA Plan as presented and authorizes the Executive Director or her designee to 1) sign and submit the amended annual PHA Plan to HUD and 2) sign and submit any other documents or information requested by HUD and 3) execute any and all documents that may be required to complete the annual PHA Plan approval process.

PASSED, APPROVED, AND ADOPTED by the Housing Commission of the Housing Authority of the County of Alameda on this _____ day of _____ 2014, by the following vote:

AYES:

NAYS:

ABSTAIN:

EXCUSED:

ABSENT:

Housing Commission Chairperson

Attest:

Christine Gouig
Executive Director/Housing Commission Secretary

Adopted: _____

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: July 9, 2014

Subject: Administrative Plan Policy Revisions

Exhibits Attached: Attachment B: Redline Summary of Policy Revisions

Recommendation: Approve Proposed Policy Revisions

Financial Statement: None

BACKGROUND

HACA's Section 8 Housing Choice Voucher (HCV) Program Administrative Plan (Admin Plan) sets forth HACA's policies for administering the Section 8 Program in a manner consistent with HUD requirements and HACA's Agency Plan—its policies, programs, operations, and strategies for meeting local housing needs and goals. HACA's Admin Plan is available for public review.

From time to time it becomes necessary to amend the Admin Plan in order to incorporate changed HUD regulations, revised HACA practices, program initiatives, or to make clarifications or corrections.

DISCUSSION and ANALYSIS

A red-line version of the changes is enclosed. See Attachment "B."

Chapter 5 – Briefings and Voucher Issuance

Adds content to track HUD Notice PIH 2012-14 and to provide greater specificity regarding extensions of the voucher term. HUD Notice PIH 2012-14 added excruciatingly detailed new guidance regarding extensions of voucher terms. Since publication of the HUD Notice, HACA has complied with the guidance but, by oversight, did not incorporate conforming language into its Administrative Plan. This modification of HACA's Administrative Plan corrects the inadvertent omission. Changes have also been made to clarify that the live-in aide of a family for which a live-in aide has been approved is limited to the live-in aide, himself or herself, and no more than one additional household member of the live-in aide.

Chapter 6 – Income

Adds content to list and updates federally-mandated exclusions from income in conformity with a recently published HUD *Federal Register* Notice. The Notice added a new exclusion, "individual development accounts," and corrects two previously listed exclusions.

Chapter 8 – HQS

Revises copy to conform HACA's Housing Quality Standards (HQS) inspection policy to current practice. Specifically, HACA routinely schedules HQS inspections with participants and, when requested, with the landlord as well. The vast majority of landlords do not express a desire to be present at HQS inspections. Changes have also been made to require reinspecting the unit to confirm that family-provided appliances are in place and operational before the HAP contract is executed by HACA.

Chapter 10 – Moving With Continued Assistance and Portability

As for Chapter 5, adds content to track HUD Notice PIH 2012-14 and to provide greater specificity regarding extensions of the voucher term.

Staff recommends that your Commission approve the revisions to the Admin Plan. Once approved, staff training will be conducted and the revised Plan will be implemented.

HOUSING AUTHORITY OF ALAMEDA COUNTY

AGENDA STATEMENT

Meeting: July 9, 2014

Subject: 2014 Scholarship Program Awards

Exhibits Attached: 2014 HACA Scholarship Award Recommendations

Recommendation: Approve the 2014 HACA Scholarship Awards

Financial Statement: \$12,750 included in 2014-2015 budget

DISCUSSION AND ANALYSIS

This year, 30 applications were submitted to your Commission's Scholarship Committee (Commissioners Asher, Cashmere, Gacoscos and Natarajan) for their review. A phone meeting with the Scholarship Committee was held on June 27 to discuss their selections.

After discussing their selections, the Scholarship Committee selected all 30 applicants to receive scholarship awards, as shown below, totaling \$12,750. If your Commission approves these, staff will ask the scholarship recipients to attend your August Commission meeting to receive their awards.

2014 HACA Scholarship Award Recommendations

Name	School/Program	Award
Hosai Aria-Faizi	Cal State East Bay	\$300
Tori Aubrey	Chabot College	\$550
Giati Bahadur	Cal State East Bay	\$1,050
Cristal Bowmna	Las Positas College	\$300
Quiana Broussard	Ohlone College	\$300
Jacqueline Brown	Penn Foster	\$350
Jamelle Brown	California Institute of Integral Studies	\$300
Brenda Cano-Landeros	Cal State East Bay	\$300
De'Shon Waller	Castro Valley Adult School	\$200
Quiana Easter	Saint Mary's College	\$1,525
Monica Gamez	Chabot College/Ohlone College	\$550
Eunique Griffin	New York University	\$300
Jade Harris	Delta Community College	\$300
Keanna Hollan	University of Phoenix	\$300
Saha Jamshed	University of Southern California	\$1,525
Patricia Jones	Fremont Adult School	\$350
Michelle Rose Kraft	Diablo Valley College	\$300
Cristina Mitchell	Chabot College	\$550
Motez Musa	Chabot College	\$550
Genee Neely	Hayward Adult School	\$350
George Nelson, Jr.	Chabot College	\$300
Jannelle Nelson	Chabot College	\$300
Amal Omer	San Leandro Adult School	\$200
Kiahnka Owens-Ennon	Cal State East Bay (Certificate Program)	\$200
Raquel Rossman	Ohlone College	\$300
Jenny Rebecca Sabin	Arnold Beauty College	\$200
Ken Sabin	HVAC Certification	\$200
Susan Sanchez	San Leandro Adult School	\$200
Susan Titus	Chabot College	\$300
Courtney Webb	San Francisco State	\$300
2014 Scholarship Awards Total		12,750

BUDGET STATUS **REPORT**

Housing Authority of Alameda County
HOUSING CHOICE VOUCHER
Administrative Budget Status Report FYE 2013-2014
May 2014

FY 2014 - HCV OPERATING BUDGET	Budgeted @ 5/31/2014	Actual @ 5/31/2014	OVER (UNDER)	PROJECTED TO 6/30/14	SCH. NO.	2013 BUDGET	2014 BUDGET	DIFFERENCE
INCOME								
Investment Income	3,300	1,668	(1,632)	1,820	A1	3,600	3,600	0
Misc. Income	317,167	320,365	3,198	334,140	A1	208,000	346,000	138,000
Administrative Fee Income	6,034,353	5,878,708	(155,645)	6,419,961	A	6,905,311	6,582,930	(322,381)
TOTAL INCOME	6,354,819	6,200,740	(154,079)	6,755,921		7,116,911	6,932,530	(184,381)
EXPENSES								
Administration								
Salaries	(3,536,036)	(3,364,143)	171,893	(3,644,488)	B-1& 2	(4,362,145)	(3,857,494)	504,651
Other Admin.	(1,204,040)	(1,147,900)	56,140	(1,252,255)	C-1&2	(1,161,477)	(1,313,499)	(152,022)
Total	(4,740,077)	(4,512,043)	228,034	(4,896,743)		(5,523,622)	(5,170,993)	352,629
General								
Insurance	(167,145)	(123,199)	43,946	(134,399)	E	(201,590)	(182,340)	19,250
Employee Benefits	(1,838,739)	(1,871,424)	(32,685)	(2,041,554)		(2,224,694)	(2,005,897)	218,797
Miscellaneous	0	0	0	0		0	0	0
Total	(2,005,884)	(1,994,623)	11,261	(2,175,952)		(2,426,284)	(2,188,237)	238,047
Total Routine Expenses	(6,745,960)	(6,506,666)	239,295	(7,072,695)		(7,949,906)	(7,359,229)	590,676
Capital Expenditures	0	0	0	0	D2	0	0	0
TOTAL EXPENSES	(6,745,960)	(6,506,666)	239,295	(7,072,695)		(7,949,906)	(7,359,229)	590,676
Income (Deficit) Unfunded 2012 FSS (1/2 year) - Use of Reserve						(158,607)		
Income (Deficit) UNSPECIFIED BUDGET REDUCTION						(674,387)	(426,699)	
NET INCOME (DEFICIT)	(391,141)	(305,925)	85,216	(316,774)		(832,994)	(426,699)	406,295

Unrestricted Net Assets @ 6/30/13
Projected Income (Deficit) @ 6/30/14
Projected Unrestricted Net Assets @ 6/30/14

\$ 2,478,875
(316,774)
\$ 2,162,101

**Housing Authority of Alameda County
PUBLIC HOUSING
Budget Status Report FYE 2013-2014
May 2014**

FY 2014 - PH OPERATING BUDGET	YTD BUDGET 5/31/2014	YTD ACTUALS 5/31/14	OVER/ (UNDER) BUDGET	Projected to 6/30/14	SCH. NO.	2013 BUDGET	2014 BUDGET	Difference
INCOME								
Dwelling Rentals	358,000	299,324	(58,676)	326,535	A-1	533,610	390,545	(143,065)
Office Rental (Mission Blvd-net)	42,798	0	(42,798)	0	A	0	46,688	46,688
Investment Income	2,017	1,215	(802)	1,325	A	2,200	2,200	0
Misc. Income	65,313	69,372	4,059	75,679	A-1	135,764	71,250	(64,514)
Transfer of Reserves from Ocean Ave				0		500,000		(500,000)
Operating Subsidy	188,810	492,906	304,095	205,974	A-1	380,579	205,974	(174,605)
Asset Reposition Fee	169,801	0	(169,801)	185,237	A-1	199,020	185,237	(13,783)
Capital Grant	27,096	0	(27,096)	29,559	A-1	258,378	29,559	(228,819)
TOTAL INCOME	853,833	862,816	8,982	824,309		2,009,551	931,454	(1,078,096)
EXPENSES								
Administration								
Salaries	(207,366)	(197,200)	10,166	(213,633)	B-1& 2	(233,093)	(226,217)	6,876
Other Admin.	(26,427)	(48,334)	(21,906)	(52,728)	C-1	(116,368)	(28,830)	87,538
Total	(233,793)	(245,534)	(11,741)	(266,361)		(349,461)	(255,047)	94,414
Tenant Services								
Resident Managers	(5,042)	(1,100)	3,942	(5,500)		(5,500)	(5,500)	0
Recreation	(6,875)	0	6,875	(7,500)		(7,500)	(7,500)	0
Total	(11,917)	(1,100)	10,817	(13,000)		(13,000)	(13,000)	0
Utilities								
Water	(45,908)	(32,593)	13,314	(35,556)		(74,000)	(50,081)	23,919
Electricity	(17,417)	(11,964)	5,453	(13,051)		(19,000)	(19,000)	0
Gas	(1,283)	(1,184)	100	(1,292)		(2,600)	(1,400)	1,200
Sewage	(24,200)	(12,524)	11,676	(13,663)		(47,600)	(26,400)	21,200
Total	(88,808)	(58,265)	30,545	(63,562)		(143,199)	(96,881)	46,318
Maintenance								
Salaries	(64,151)	(66,242)	(2,091)	(71,762)	B-2	(69,983)	(69,983)	(0)
Materials	(47,614)	(22,387)	25,227	(24,422)	D	(63,960)	(51,942)	12,018
Contract Costs	(338,083)	(422,758)	(84,675)	(311,190)	D	(594,158)	(368,818)	225,340
Total	(449,848)	(511,386)	(61,538)	(407,374)		(728,101)	(490,743)	237,357
General								
Insurance	(37,658)	(29,703)	7,955	(32,404)	E	(80,712)	(41,081)	39,631
Tax-In Lieu Of	(26,919)	(26,919)	0	(29,366)		(39,041)	(29,366)	9,675
Employee Benefits	(141,189)	(82,879)	58,310	(90,413)		(154,569)	(154,024)	545
Collection Loss	(917)	0	917	0		(1,000)	(1,000)	0
Miscellaneous	(917)	(7,193)	(6,277)	(7,847)		(1,000)	(1,000)	0
Total	(207,599)	(146,694)	60,906	(160,030)		(276,322)	(226,472)	49,850
Total Routine Expenses	(991,965)	(962,979)	28,987	(910,327)		(1,510,083)	(1,082,143)	427,940
Capital Expenditure-exterior renovation of Emery Glen						(500,000)		500,000
TOTAL EXPENSES	(991,965)	(962,979)	28,987	(910,327)		(2,010,083)	(1,082,143)	927,940
NET INCOME (DEFICIT)	(138,131)	(100,163)	37,969	(86,018)		(533)	(150,689)	(150,156)

Unrestricted Net Assets @ 6/30/13
 Projected Income/(Deficit) @ 6/30/14
 Projected Unrestricted Net Assets @ 6/30/14

\$1,378,834
 (86,018)
 \$1,292,815

PROGRAM ACTIVITY **REPORT**

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: July 9, 2014

Subject:	Programs Activity Report
Exhibits Attached:	Section 8 Contract Report; Section 8 Average Contract Rent Report; Fraud Payments Report; Landlord Rental Listing Report; FSS Program Monthly Report
Recommendation:	Receive Report
Financial Statement:	None

SECTION 8 HOUSING CHOICE VOUCHERS

- **Lease-Up:** As of July 1, 2014, the Section 8 Housing Choice Voucher program had 6,002 units under contract. The fiscal year-to-date lease-up average is 99.1% units. The budget authority use average through May 2014 is 103.6%.
- **Program Utilization:** As of July 1, 2014, the average HAP subsidy was \$1,046 and the average tenant-paid rent portion was \$435 for an average Contract Rent of \$1,481.
 - ❖ As of July 1, 2014, HACA had 84 outgoing billed portability contracts (i.e., HACA voucher holders who are housed in another housing authority's jurisdiction).
 - ❖ As of July 1, 2014, HACA billed other housing authorities, primarily the Oakland Housing Authority, for 1,131 incoming portability contracts. HACA receives only 80% of the HUD-authorized Administrative Fee for billed incoming portability contracts.
- **Section 8 Contract Report:** A copy of the Contract Report is attached.
- **Fraud / Debt Recovery:** HACA retained \$5,318.50 in fraud and debt recovery payments for the month of May 2014. A total of \$24,453.70 was retained over the last six months.
- **Landlord Rental Listings:** As of July 1, 2014, there were 1,643 landlords with properties in HACA's jurisdiction utilizing the *GoSection8* rental listing service. There were no new landlords added to the Section 8 program this month. There were 8 active properties listed as of July 1, 2014.

FAMILY SELF SUFFICIENCY (FSS)

The FSS Department is over half way to its goal of 200 participants for the national FSS study and has developed additional strategies to market and outreach to prospective participants, based on a few ideas generated during a cross-site webinar attended by approximate 16 FSS programs

from across the country. Additionally, three orientations are scheduled this month in order to continue to increase the number of participants in the study.

The FSS Department congratulates its newest Section 8 homeowner, Ms. Tonya Fuller-Bryant, who worked diligently to meet her FSS goals and close escrow on her first home on June 18th while going to school and raising her child. She is now the proud owner of a three-bedroom townhome in the city of Hayward. Ms. Fuller-Bryant gives back by serving on HACA's FSS Advisory Committee.

PUBLIC HOUSING

- **Occupancy:** As of July 1, 2014, the Public Housing program had 68 of 72 units leased and had a 94.44% fiscal year-to-date lease up rate.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

Section 8 Contract and HAP Report for the month of: June 2014

City	Certificates		Vouchers		June 2014 TOTAL		June 2013	June 2012
	Number	HAP*	Number	HAP**	Number	HAP		
Albany	0	\$0	30	\$31,260	30	\$31,260	36	39
Castro Valley	10	\$8,810	219	\$228,198	229	\$237,008	233	246
Dublin	2	\$1,762	358	\$373,036	360	\$374,798	360	300
Emeryville	6	\$5,286	112	\$116,704	118	\$121,990	114	118
Fremont	27	\$23,787	1,202	\$1,252,484	1,229	\$1,276,271	1,320	1,419
Hayward	109	\$96,029	2,255	\$2,349,710	2,364	\$2,445,739	2,533	2,579
Newark	3	\$2,643	245	\$255,290	248	\$257,933	274	283
Pleasanton	4	\$3,524	123	\$128,166	127	\$131,690	132	153
San Leandro	19	\$16,739	1,487	\$1,549,454	1,506	\$1,566,193	1,456	1,417
San Lorenzo	2	\$1,762	227	\$236,534	229	\$238,296	234	218
Union City	6	\$5,286	804	\$837,768	810	\$843,054	832	773
TOTALS	188	\$165,628.00	7,062	\$7,358,604.00	7,250	\$7,524,232.00	7,524	7,545

*Based on an average June Housing Assistance Payment (HAP) of \$881 per certificate contract.

**Based on an average June Housing Assistance Payment (HAP) of \$1042 per voucher contract.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
Section 8 Average Contract Rent Report for the Month of: June 2014

City	Number of HAP Contracts	Average Contract Rent	Average HAP Paid by HACA	Average Rent Paid by Family	Average Family-Paid Rent as a Percentage of Average Contract Rent
Albany	31	\$1,340	\$1,037	\$303	23%
Castro Valley	219	\$1,408	\$981	\$427	30%
Dublin	362	\$1,634	\$1,230	\$404	25%
Emeryville	114	\$1,230	\$857	\$373	30%
Fremont	1,210	\$1,598	\$1,115	\$482	30%
Hayward	2,265	\$1,392	\$993	\$399	29%
Newark	247	\$1,839	\$1,285	\$553	30%
Pleasanton	122	\$1,370	\$971	\$398	29%
San Leandro	1,496	\$1,387	\$988	\$399	29%
San Lorenzo	230	\$1,704	\$1,233	\$471	28%
Union City	765	\$1,630	\$1,143	\$488	30%

*Some rents may vary by \$1 due to rounding

DEBT COLLECTIONS

2013-2014

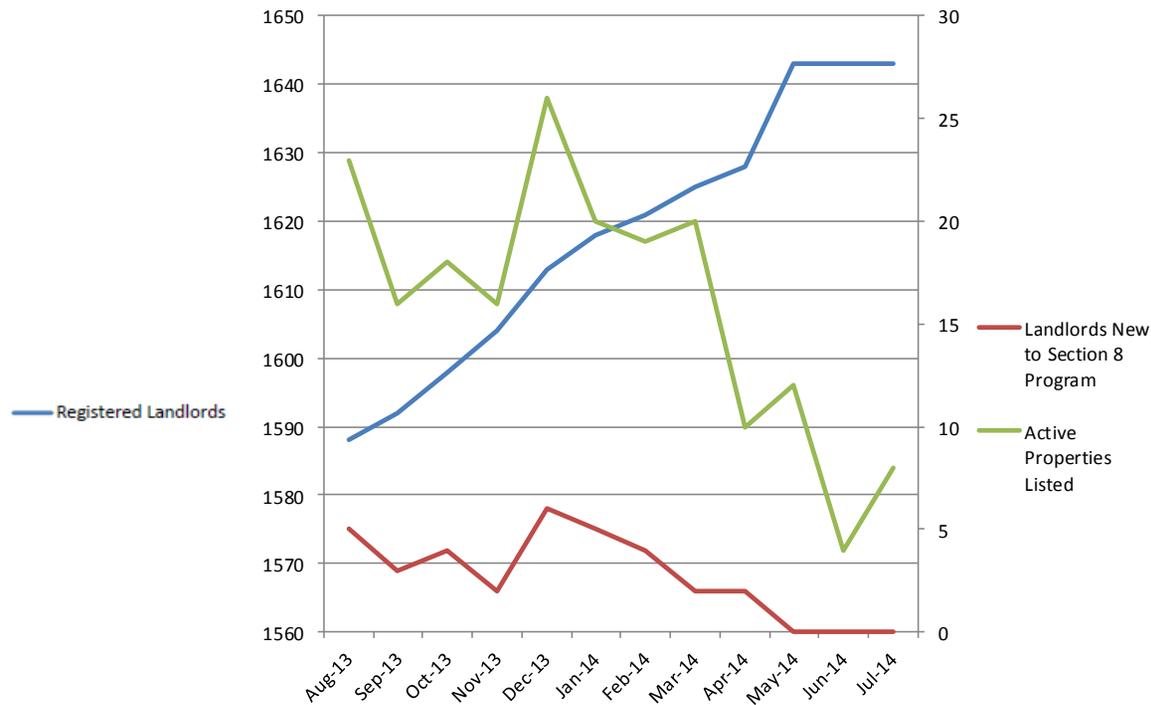
FYE 06/30/14

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	GRAND TOTALS
<i>DAMAGE CLAIMS</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100.00	\$400.00	\$250.00		\$750.00
<i>FRAUD REPAYMENTS</i>	\$1,738.00	\$2,321.84	\$555.05	\$27,855.45	\$1,145.16	\$2,273.22	\$1,569.75	\$5,094.28	\$4,695.71	\$5,502.24	\$5,318.50		\$58,069.20
TOTALS	\$1,738.00	\$2,321.84	\$555.05	\$27,855.45	\$1,145.16	\$2,273.22	\$1,569.75	\$5,094.28	\$4,795.71	\$5,902.24	\$5,568.50	\$0.00	\$58,819.20

Landlord Rental Listing Report

Monthly

	8/5/2013	9/3/2013	10/1/2013	11/1/2013	12/2/2013	1/2/2014	2/3/2014	3/3/2014	4/1/2014	5/1/2014	6/2/2014	7/1/2014
Registered Landlords	1588	1592	1598	1604	1613	1618	1621	1625	1628	1643	1643	1643
Landlords New to Section 8 Program	5	3	4	2	6	5	4	2	2	0	0	0
Active Properties Listed	23	16	18	16	26	20	19	20	10	12	4	8





To: Christine Gouig, Executive Director
From: Daniel Taylor, Special Programs Manager
Re: **FSS Program Summary**
CC: Ron Dion, Linda Evans, Phyllis Harrison, Mary Sturges, Eli Isaacs
Date: June 26, 2014

Program Summary	June 2014
Total Clients Under Contract:	135
MDRC Study:	29
Graduates:	0
Escrow Disbursed:	\$59,575 (May)
Ports In:	0
Ports Out:	2
Terminations:	0
New Contracts:	2

FSS PROGRAM NEWS:

MDRC FSS Study

FSS staff is progressing toward the participant study goal of 200 by October 2014. The current results of the random assignment are as follows:

FSS Group: 53 (29 under contract)
Control Group: 54
Total: 107

MDRC FSS Learning Network Cross-Site Webinar

On Tuesday, June 4, the FSS team participated in a cross-site webinar for the MDRC study with approximately 16 FSS programs from across the country. This was an opportunity to have direct contact with other housing authorities that are in various stages of the study. HACA's FSS team, along with three others, gave presentations on outreach, orientation, and engagement. Our FSS team has developed additional strategies to market and outreach to prospective participants, based on a few ideas generated during the webinar.

Workshop

The Unity Council presented a Homebuyer Education Workshop at our Nidus senior recreation room on Saturday, July 28, 2014. Participants received an introduction to home ownership. Topics included:

- ✓ Basic Financial Planning
- ✓ Pros & Cons of Homeownership
- ✓ Affordability Assessment
- ✓ The 5 C's of Lending
- ✓ Mortgages 101
- ✓ Mortgage Assistance Programs
- ✓ First-time Homebuyer Programs
- ✓ Loan Document Review

The Homebuyer Education Workshop is a popular attraction for our FSS participants. The Unity Council is a 501(c)(3) Non-Profit, HUD-Approved Counseling Agency that provides accurate, common sense financial education, counseling and coaching to potential and current homeowners.

HACA's Newest Section 8 Homeowner

Congratulations to Tonya Fuller-Bryant! Ms. Fuller-Bryant closed escrow on her first home on June 18, 2014. She was able to meet this goal through determination and hard work. Ms. Fuller-Bryant maintained suitable employment, made financially responsible decisions and completed the FSS program. She now owns a three bedroom, two and half bath townhome in the city of Hayward. As a recent graduate from FSS, Ms. Fuller-Bryant will be acknowledged at FSS's annual "It's Your Time to Shine" celebration in November.

When Ms. Fuller-Bryant started the FSS program, she was working part-time earning minimal income and like many FSS participants was determined to become more self-sufficient and a productive force in the community. While working, studying, and raising her child, Ms. Fuller-Bryant also served as a volunteer. Her volunteer efforts led to her current position with Healthy Oakland where she is a case manager working with young people aged 14 - 35 years old. With her assistance, people are connected with information and services to assist them.

Ms. Fuller-Bryant serves on HACA's FSS advisory committee where she contributes her knowledge of health and human service resources in Alameda County.

Next FSS Orientations

- Wednesday, July 16, 2014
10:00 a.m. to 12:00 p.m.

- Thursday, July 17, 2014
6:00 p.m. to 8:00 p.m.
- Tuesday, July 22, 2014
10:00 a.m. to 12:00 p.m.

Referrals = Case Management = 57

ATTACHMENT A

HACA Annual Plan for Fiscal Year 2014 RAD Significant Amendment

Attachment R – Rental Assistance Demonstration (RAD)

The Housing Authority of the County of Alameda is amending its Fiscal Year 2014 PHA Plan because it is an applicant in the Rental Assistance Demonstration (RAD). As a result, if its application is approved, the Housing Authority of the County of Alameda will be converting to Project Based Vouchers under the guidelines of PIH Notice 2012-32, REV-1 and any successor Notices. Upon conversion to Project Based Vouchers the Authority will adopt the resident rights, participation, waiting list and grievance procedures listed in Section 1.6.C & 1.6.D of PIH Notice 2012-32, REV-1. These resident rights, participation, waiting list and grievance procedures are appended to this Attachment. Additionally, the Housing Authority of the County of Alameda is currently compliant with all fair housing and civil rights requirements and is not under a Voluntary Compliance Agreement.

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing the Housing Authority of the County of Alameda with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion the Authority's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted as part of the Demonstration, and that the Housing Authority of the County of Alameda may also borrow funds to address its capital needs. The Housing Authority of the County of Alameda will also be contributing Operating Reserves in the amount of \$1,670,000 and CY 2014 Capital Funds in the amount of \$182,630 towards the conversion.

Below, please find specific information related to the Public Housing Development(s) selected for RAD:

Development #1

<u>Name of Public Housing Development:</u> Nidus and Dyer	<u>PIC Development ID:</u> CA067000001	<u>Conversion type (i.e., PBV or PBRA):</u> PBV	<u>Transfer of Assistance: (if yes, please put the location if known, and # of units transferring)</u> No
<u>Total Units:</u> 72	<u>Pre- RAD Unit Type (i.e., Family, Senior, etc.):</u> Family	<u>Post-RAD Unit Type if different (i.e., Family, Senior, etc.):</u> N/A	<u>Capital Fund allocation of Development: (Annual Capital Fund Grant, divided by total number of public housing units in PHA, multiplied by total number of units in project): \$182,630</u>

<u>Bedroom Type</u>	<u>Number of Units Pre-Conversion</u>	<u>Number of Units Post-Conversion</u>	<u>Change in Number of Units per Bedroom Type and Why (De Minimus Reduction, Transfer of Assistance, Unit Reconfigurations, etc.)</u>
Studio/Efficiency	0	0	0
One Bedroom	0	0	0
Two Bedroom	48	48	0
Three Bedroom	20	20	0
Four Bedroom	4	4	0
Five Bedroom	0	0	0
Six Bedroom	0	0	0
<u>(If performing a Transfer of Assistance): N/A</u>	<u>(Explain how transferring waiting list): N/A</u>		

Resident Rights, Participation, Waiting List and Grievance Procedures

C. PBV Resident Rights and Participation

1. No Re-screening of Tenants upon Conversion. Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households. Once that remaining household moves out, the unit must be leased to an eligible family.

2. Right to Return. Any residents that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to the development once rehabilitation or construction is completed. Where the transfer of assistance to a new site is warranted and approved (see Section 1.6.B.7 and Section 1.7.A.8 on conditions warranting a transfer of assistance), residents of the converting development will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete. Residents of a development undergoing conversion of assistance may voluntarily accept a PHA or Owner’s offer to permanently relocate to another assisted unit, and thereby waive their right to return to the development after rehabilitation or construction is completed.

3. Renewal of Lease. Under current regulations at 24 CFR § 983.257(b)(3), upon lease expiration, a PHA can choose not to renew the lease, without good cause. In such a case, the regulatory consequence is the loss of the assisted unit. Under RAD, the PHA must renew all leases upon lease expiration, unless cause exists. Consequently, 24 CFR § 983.257(b)(3) will not apply.

4. Phase-in of Tenant Rent Increases. If a tenant’s monthly rent increases by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over 3 or 5 years.

To implement this provision, HUD is waiving section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of “total tenant payment” (TTP)) only to the extent necessary to allow for the phase-in of tenant rent increases. A PHA must create a policy setting the length of the phase in period at three years, five years or a combination depending on circumstances. For example, a PHA may create a policy that uses a three year phase-in for smaller increases in rent and a five year phase-in for larger increases in rent. This policy must be in place at conversion and may not be modified after conversion.

The below method explains the set percentage-based phase-in an owner must follow according to the phase-in period established. For purposes of this section “standard TTP” refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the “most recently paid TTP” refers to the TTP recorded on line 9j of the family’s most recent HUD Form 50058

Three Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP and the standard TTP
- Year 2: Year 2 Annual Recertification (AR) and any Interim Recertification (IR) prior to Year 3 AR – 66% of difference between most recently paid TTP and the standard TTP
- Year 3: Year 3 AR and all subsequent recertifications – Full standard TTP

Five Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP and the standard TTP
- Year 2: Year 2 AR and any IR prior to Year 3 AR – 40% of difference between most recently paid TTP and the standard TTP
- Year 3: Year 3 AR and any IR prior to Year 4 AR – 60% of difference between most recently paid TTP and the standard TTP
- Year 4: Year 4 AR and any IR prior to Year 5 AR – 80% of difference between most recently paid TTP and the standard TTP
- Year 5 AR and all subsequent recertifications – Full standard TTP

Please Note: In either the three year phase-in or the five-year phase-in, once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward.

5. Public Housing Family Self Sufficiency (PH FSS) and Resident Opportunities and Self Sufficiency Service Coordinator (ROSS-SC) programs. Current PH FSS participants will continue to be eligible for FSS once their housing is converted under RAD, subject to the following:

- a. If a PHA has an HCV FSS program, a PHA must convert the PH FSS program participants at the covered project to their HCV FSS program.

b. If a PHA does not have an HCV FSS program, but is currently funded for PH FSS for that project, current participants at the covered project will continue to be eligible under PH FSS guidelines.

Once the property is converted, residents not then enrolled in PH FSS will not be eligible to participate in the program. PHAs will be allowed to use any funds already granted for PH FSS coordinator salaries until such funds are expended, at which point they are no longer required to include the families in the FSS program. Participants in converted units will not be counted towards future PH FSS funding once converted.

Current ROSS-SC grantees will be able to finish out their current ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future public housing ROSS-SC grants, nor will its residents be eligible to be served by future public housing ROSS-SC grants.

6. Resident Participation and Funding. In accordance with Attachment 1B, residents of covered projects converting assistance to PBVs will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding.

7. Resident Procedural Rights. The following items must be incorporated into both the Section 8 Administrative Plan and the owner's lease, which includes the required tenancy addendum, as appropriate. Evidence of such incorporation may be requested by HUD for purposes of monitoring the program.

a. Termination Notification. HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert to assistance under RAD. In addition to the regulations at 24 CFR § 983.257 related to owner termination of tenancy and eviction, as modified by the waiver in Section 1.6(C)(3) above, the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall not be less than:

i. A reasonable period of time, but not to exceed 30 days:

- If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
- In the event of any drug-related or violent criminal activity or any felony conviction;

ii. 14 days in the case of nonpayment of rent; and

iii. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

b. Grievance Process. HUD is incorporating additional procedural rights to comply with the requirements of section 6 of the Act.

For issues related to tenancy and termination of assistance, PBV program rules require the PHA to provide an opportunity for an informal hearing, as outlined in 24 CFR §982.555. RAD will waive 24 CFR §982.555(b) in part, which outlines when informal hearings are not required, and require that:

i. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR §982.555(a)(1)(i)-(vi),¹ an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a PHA (as owner) action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.

- For any hearing required under 24 CFR §982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program.
- For any additional hearings required under RAD, the PHA (as owner) will perform the hearing.

ii. An informal hearing will not be required for class grievances or to disputes between residents not involving the PHA (as owner) or contract administrator. This hearing requirement shall not apply to and is not intended as a forum for initiating or negotiating policy changes between a group or groups of residents and the PHA (as owner) or contract administrator.

iii. The PHA (as owner) will give residents notice of their ability to request an informal hearing as outlined in 24 CFR §982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR §982.555(a)(1)(i)-(vi).

iv. The PHA (as owner) will provide opportunity for an informal hearing before an eviction.

Current PBV program rules require that hearing procedures must be outlined in the PHA's Section 8 Administrative Plan.

8. Earned Income Disregard (EID). Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

Under the Housing Choice Voucher program, the EID exclusion is limited to only persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of Section I: Public Housing Projects conversion to continue to benefit from this exclusion in the PBV project, the provision in section 5.617(b) limiting EID to only disabled persons is waived. The waiver and resulting alternative requirement only applies to tenants receiving the EID at the time of conversion. No other tenant (e.g., tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion [e.g., due to loss of employment], tenants that move into the property following conversion, etc.) is covered by this waiver.

¹ § 982.555(a)(1)(iv) is not relevant to RAD as the tenant-based certificate has been repealed.
Section I: Public Housing Projects

9. Capital Fund Education and Training Community Facilities (CFCF) Program. CFCF provides capital funding to PHAs for the construction, rehabilitation, or purchase of facilities to provide early childhood education, adult education, and job training programs for public housing residents based on an identified need. Where a community facility has been developed under CFCF in connection with or serving the residents of an existing public housing project converting its assistance under RAD, residents will continue to qualify as “PHA residents” for the purposes of CFCF program compliance. To the greatest extent possible the community facility should continue to be available to public housing residents

D. PBV: Other Miscellaneous Provisions

1. Access to Records, Including Requests for Information Related to Evaluation of Demonstration.

PHAs must agree to any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work.

2. Additional Monitoring Requirement. The PHA’s Board must approve the operating budget for the covered project annually in accordance with HUD requirements.²

3. Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968

(Section 3). Under existing PBV program rules, projects that qualify as “existing housing” under 24 CFR §983.52(a) are not subject to Davis-Bacon (prevailing wages, the Contract Work Hours and Safety Standards Act, and other related regulations, rules, and requirements) or Section 3 (24 CFR Part 135). However, the Davis-Bacon Act and Section 3 shall apply to all initial repairs that are identified in the Financing Plan to the extent that such repairs qualify as construction or rehabilitation, regardless of whether the project qualifies as existing housing. Developmental requirements under 24 CFR §983.154 and fair housing provisions under 24 CFR §983.152(c)(vi) continue to apply.³

4. Establishment of Waiting List. In establishing the waiting list for the converted project, the PHA shall utilize the project-specific waiting list that existed at the time of conversion, unless the assistance is being transferred to another neighborhood. If a project-specific waiting list does exist, but the PHA is transferring the assistance to another neighborhood, the PHA must notify applicants on the waiting list of the transfer of assistance, and how they can apply for residency at the new project site or other sites. Applicants on a project-specific waiting list for a project where the assistance is being transferred shall have priority on the newly formed waiting list for the new project site in accordance with the date and time of their application to the original project’s waiting list. In addition, the waiting list must be established and maintained in accordance with PBV program requirements.

If a project-specific waiting list for the project does not exist, the PHA shall establish a waiting list in accordance 24 CFR §903.7(b)(2)(ii)-(iv) to ensure that applicants on the PHA’s public housing

² For PBV conversions that are not FHA-insured, a future HUD notice will describe project financial data that may be required to be submitted by a PBV owner for purposes of the evaluation, given that PBV projects do not submit annual financial statements to HUD/REAC.

³ Applicable to projects with nine or more units.

community-wide waiting list have been offered placement on the converted project's initial waiting list. For the purpose of establishing the initial waiting list, PHAs have the discretion to determine the most appropriate means of informing applicants on the public housing waiting list given the number of applicants, PHA resources, and community characteristics of the proposed conversion under RAD. Such activities should be pursuant to the PHA's policies for waiting list management, including the obligation to affirmatively further fair housing.

A PHA may consider contacting every applicant on the public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (e.g., radio stations, posters, newspapers) within the marketing area; informing local non-profit entities and advocacy groups (e.g., disability rights groups); and conducting other outreach as appropriate. Applicants on the agency's centralized public housing waiting list who wish to be placed onto the newly-established waiting list are done so in accordance with the date and time of their original application to the centralized public housing waiting list. Any activities to contact applicants on the public housing waiting list must be conducted in accordance with the requirements for effective communication with persons with disabilities at 24 CFR §8.6 and the obligation to provide meaningful access for persons with limited English proficiency (LEP).⁴

To implement this provision, HUD is waiving 24 CFR §983.251(c)(2). However, after the initial waiting list has been established, the PHA shall administer its waiting list for the converted project in accordance with 24 CFR §983.251(c).

5. Mandatory Insurance Coverage. The project shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed property of a project, except with the written approval of HUD to the contrary.

6. Agreement Waiver. For public housing conversions to PBV, there will be no Agreement to Enter into a Housing Assistance Payments (AHAP) contract. Therefore, all regulatory references to the AHAP, including regulations under 24 CFR Part 983 Subpart D, are waived.

7. Future Refinancing. Owners must receive HUD approval for any refinancing or restructuring of permanent debt within the HAP contract term to ensure the financing is consistent with long-term preservation. (Current lenders and investors are also likely to require review and approval of refinancing of the primary permanent debt.)

8. Administrative Fees for Public Housing Conversions. For the initial Calendar Year in which a project's assistance has been converted, RAD PBV projects will be funded with public housing money. Since the public housing funding will not have been transferred to the TBRA account and since this funding is not Section 8 assistance, the annual contributions contract (ACC) between the PHA and HUD will cover the project units but will be for zero dollars. For this transition period, the ACC will primarily serve as the

⁴ For more information on serving persons with LEP, please see HUD's Final guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (72 FR 2732), published on January 22, 2007.

basis for covering the units and requiring PHA compliance with HUD requirements, but it will not be (as it is in the regular PBV program) the funding vehicle for the PBV RAD vouchers. Given this, and given the fact that PHAs will be receiving full public housing funding for the PBV units during this transition period, PHAs will not receive ongoing Section 8 administrative fee funding during this time.

Generally, PHAs receive ongoing administrative fees for units under a HAP contract, consistent with recent appropriation act references to "section 8(q) of the [United States Housing Act of 1937] and related appropriations act provisions in effect immediately before the Quality Housing and Work Responsibility Act of 1998" and 24 CFR 982.152(b). During the transition period mentioned in the preceding paragraph, these provisions are waived, and PHAs will not receive Section 8 ongoing administrative fees for PBV RAD units.

After this transition period, the ACC will be amended to include Section 8 funding that corresponds to the units covered by the ACC. At that time, the regular Section 8 administrative fee funding provisions will apply.

Site Selection and Neighborhood Standards Review

If Transferring Assistance to a new site, please list the applicable site selection and neighborhood review standards as explained in Attachment 1D, Table 2 of PIH Notice 2012-32, REV-1. *If a new site has not been selected, please append no later than when submitting the Financing Plan. N/A*

.....

Relocation Plans

If relocating residents, please append the Accessibility and Relocation Plan Checklist here. *If relocation plans have not been developed yet, please fill out the Accessibility and Relocation Checklist and submit with the Financing Plan. N/A*

.....

Significant Amendment Definition

If your PHA is changing its definition for substantial deviation to the PHA Plan, below find a suggested version: **N/A**

Attachment 1B – Resident Provisions in Conversions of Assistance from Public Housing to PBRA and PBV

This Attachment contains two sections, describing:

1B.1 Summary of Resident Provisions

1B.2 Resident Participation and Funding

1B.1 Summary of Resident Provisions

The following is a summary of special provisions and alternative requirements related to tenants of public housing projects converting under RAD:

- Conversion will be considered a Significant Amendment to a PHA Plan (see Section 1.5(E) of this Notice);
- Notification of proposed conversion, meetings during the conversion process, written response to residents comments on conversion, and notification of conversion approval and impact (see Section 1.8 of this Notice);
- No rescreening at conversion (see Section 1.6(C)(1) of this Notice for conversions to PBV and Section 1.7(B)(1) for conversions to PBRA);
- Right to return after temporary relocation to facilitate rehabilitation or construction (see Section 1.6(C)(2) of this Notice for conversions to PBV and Section 1.7(B)(2) for conversions to PBRA);
- Renewal of lease at expiration in the PBV program, unless good cause exists (see Section 1.6(C)(3) of this Notice);
- Phase-in of tenant rent increases (see Section 1.6(C)(4) of this Notice for conversions to PBV and Section 1.7(B)(3) for conversions to PBRA);
- Continued participation in the ROSS-SC and FSS programs (see Section 1.6(C)(5) of this Notice, for conversions to PBV and Section 1.7(B)(4) for conversions to PBRA);
- Continued Earned Income Disregard (see Section 1.6(C)(8) of this Notice, for conversions to PBV and Section 1.7.(B)(7) for conversions to PBRA);
- Continued recognition of and funding for legitimate resident organizations (see Section 1.6(C)(6) of this Notice for conversions to PBV, Section 1.7(B)(5) of this Notice for conversions to PBRA, and below in Attachment 1B.2 for additional requirements for both programs);
- Procedural rights consistent with section 6 of the Act (see Section 1.6(C)(7) of this Notice for conversions to PBV and Section 1.7(B)(6) of this Notice for conversions to PBRA); and
- Choice-mobility option allowing a resident to move with a tenant-based voucher after tenancy in the covered project (see 24 CFR § 983.260 for conversions to PBV and Section 1.7(C)(5) of this Notice for conversions to PBRA).

1B.2 Resident Participation and Funding⁵

The following provisions contain the resident participation and funding requirements for public housing conversions to PBRA and PBV, respectively.

A. PBRA: Resident Participation and Funding

Residents of covered projects converting assistance to PBRA will have the right to establish and operate a resident organization in accordance with 24 CFR Part 245 (Tenant Participation in Multifamily Housing Projects). In addition, PHAs must provide \$25 per occupied unit annually for resident participation, of which at least \$15 per occupied unit shall be provided to the legitimate tenant organization at the covered property. These funds must be used for resident education, organizing around tenancy issues, and training activities.

In the absence of a legitimate resident organization at a covered project:

1. HUD encourages the PHAs and residents to work together to determine the most appropriate ways to foster a constructive working relationship, including supporting the formation of a legitimate residents organization. Residents are encouraged to contact the PHA directly with questions or concerns regarding issues related to their tenancy. PHAs are also encouraged to actively engage residents in the absence of a resident organization; and
2. PHAs must make resident participation funds available to residents for organizing activities in accordance with this Notice. Residents must make requests for these funds in writing to the PHA. These requests will be subject to approval by the PHA.

B. PBV: Resident Participation and Funding

To support resident participation following conversion of assistance, residents of covered projects converting assistance to the PBV program will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment, which includes the terms and conditions of their tenancy as well as activities related to housing and community development.

- 1. Legitimate Resident Organization.** A PHA must recognize legitimate resident organizations and give reasonable consideration to concerns raised by legitimate resident organizations. A resident organization is legitimate if it has been established by the residents of a covered project, meets regularly, operates democratically, is representative of all residents in the development, and is completely independent of PHAs, management, and their representatives.

⁵ For the purposes of this Attachment, HUD uses the term “PHA” to refer to the owner of a converting or covered project. In some instances the owner of a project could be a public, non-profit, or for-profit, e.g., mixed-finance projects.

In the absence of a legitimate resident organization at a covered project, HUD encourages the PHA and residents to work together to determine the most appropriate ways to foster a constructive working relationship, including supporting the formation of a legitimate residents organization. Residents are encouraged to contact the PHA directly with questions or concerns regarding issues related to their tenancy. PHAs are also encouraged to actively engage residents in the absence of a resident organization; and

2. Protected Activities. PHAs must allow residents and resident organizers to conduct the following activities related to the establishment or operation of a resident organization:

- a. Distributing leaflets in lobby areas;
- b. Placing leaflets at or under residents' doors;
- c. Distributing leaflets in common areas;
- d. Initiating contact with residents;
- e. Conducting door-to-door surveys of residents to ascertain interest in establishing a resident organization and to offer information about resident organizations;
- f. Posting information on bulletin boards;
- g. Assisting resident to participate in resident organization activities;
- h. Convening regularly scheduled resident organization meetings in a space on site and accessible to residents, in a manner that is fully independent of management representatives. In order to preserve the independence of resident organizations, management representatives may not attend such meetings unless invited by the resident organization to specific meetings to discuss a specific issue or issues; and
- i. Formulating responses to PHA's requests for:
 - i. Rent increases;
 - ii. Partial payment of claims;
 - iii. The conversion from project-based paid utilities to resident-paid utilities;
 - iv. A reduction in resident utility allowances;
 - v. Converting residential units to non-residential use, cooperative housing, or condominiums;
 - vi. Major capital additions; and
 - vii. Prepayment of loans.

In addition to these activities, PHAs must allow residents and resident organizers to conduct other reasonable activities related to the establishment or operation of a resident organization.

PHAs shall not require residents and resident organizers to obtain prior permission before engaging in the activities permitted in this section.

3. Meeting Space. PHAs must reasonably make available the use of any community room or other available space appropriate for meetings that is part of the multifamily housing project when requested by:

- a. Residents or a resident organization and used for activities related to the operation of the resident organization; or
- b. Residents seeking to establish a resident organization or collectively address issues related to their living environment.

Resident and resident organization meetings must be accessible to persons with disabilities, unless this is impractical for reasons beyond the organization's control. If the development has an accessible common area or areas, it will not be impractical to make organizational meetings accessible to persons with disabilities.

PHAs may charge a reasonable, customary and usual fee, approved by the Secretary as may normally be imposed for the use of such facilities in accordance with procedures prescribed by the Secretary, for the use of meeting space. A PHA may waive this fee.

4. Resident Organizers. A resident organizer is a resident or non-resident who assists residents in establishing and operating a resident organization, and who is not an employee or representative of current or prospective PHAs, managers, or their agents.

PHAs must allow resident organizers to assist residents in establishing and operating resident organizations.

5. Canvassing. If a covered project has a consistently enforced, written policy against canvassing, then a non-resident resident organizer must be accompanied by a resident while on the property of the project.

If a project has a written policy favoring canvassing, any non-resident resident organizer must be afforded the same privileges and rights of access as other uninvited outside parties in the normal course of operations. If the project does not have a consistently enforced, written policy against canvassing, the project shall be treated as if it has a policy favoring canvassing.

A resident has the right not to be re-canvassed against his or her wishes regarding participation in a resident organization.

6. Funding. PHAs must provide \$25 per occupied unit annually for resident participation, of which at least \$15 per occupied unit shall be provided to the legitimate resident organization at

the covered property. These funds must be used for resident education, organizing around tenancy issues, and training activities.

In the absence of a legitimate resident organization at a covered project:

a. HUD encourages the PHAs and residents to work together to determine the most appropriate ways to foster a constructive working relationship, including supporting the formation of a legitimate residents organization. Residents are encouraged to contact the PHA directly with questions or concerns regarding issues related to their tenancy. PHA are also encouraged to actively engage residents in the absence of a resident organization; and

b. PHAs must make resident participation funds available to residents for organizing activities in accordance with this Notice. Residents must make requests for these funds in writing to the PHA. These requests will be subject to approval by the PHA.

ATTACHMENT B

PART II: SUBSIDY STANDARDS AND VOUCHER ISSUANCE

5-II.A. OVERVIEW

PHAs must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions. This part presents the policies that will be used to determine the family unit size (also known as the voucher size) a particular family should receive, and the policies that govern making exceptions to those standards. PHAs also must establish policies related to the issuance of the voucher, the voucher term, and to any extensions or suspensions of the voucher term.

5-II.B. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]

For each family, HACA determines the appropriate number of bedrooms under HACA subsidy standards and enters the family unit size on the voucher that is issued to the family. The family unit size does not dictate the size of unit the family must actually lease, nor does it determine who within a household will share a bedroom/sleeping room.

The following requirements apply when HACA determines family unit size:

- The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.
- The subsidy standards must be consistent with space requirements under the housing quality standards.
- The subsidy standards must be applied consistently for all families of like size and composition.
- A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.
- A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.
- Any live-in aide (approved by HACA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size;

- Unless a live-in-aide resides with a family, the family unit size for any family consisting of a single person must be either a zero- or one-bedroom unit, as determined under HACA subsidy standards.

HACA Policy

~~As set forth in the table below, HACA will assign-allocate one bedroom for each two persons within the household, except in the following circumstances that HACA will allocate a single bedroom to each:~~

~~A single person family will be allocated one bedroom:~~

~~One bedroom will be allocated to (The head of household and any spouse/significant other/boyfriend or girlfriend; and~~

~~A live-in aide and up to one additional family member of the live-in aide, both of which will be allocated a separate bedroom. The total family unit size is as shown in the table below. As set forth in Section 3 I.M., any family members of a live-in aide must be identified by the family and approved by HACA as set forth in Section 3-I.M. No additional bedroom(s) will be allocated to the household for family members of a live-in aide.~~

~~Single-person families will be allocated one bedroom.~~

~~HACA will reference the following charts in determining the appropriate voucher size for a family:~~

Voucher Size Persons in Household

	(Minimum - Maximum)
1 Bedroom	1-2
2 Bedrooms	2-4
3 Bedrooms	3-6
4 Bedrooms	4-8
5 Bedrooms	6-10

For Project-Based Voucher projects of one to four units targeted to families with children, HACA, at its sole discretion, will allow a maximum subsidy standard of two persons per bedroom or sleeping room (includes living room).

5-II.E. VOUCHER TERM, EXTENSIONS, AND SUSPENSIONS

Voucher Term [24 CFR 982.303]

The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher [24 CFR 982.303(a)].

HACA Policy

For HACA applicants, HACA participants and portability participants in HACA's jurisdiction billed by HACA to an originating PHA who have indicated they will remain in HACA's jurisdiction, the initial voucher term will be 90 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 90-day period unless HACA grants an extension.

For participants and applicants that intend to move from HACA's jurisdiction under portability, HACA will follow the policies outlined in 10-II.B.

For participants and applicants that intend to move to HACA's jurisdiction under portability, HACA will follow the policies outlined in 10-II.C.

Extensions of Voucher Term [24 CFR 982.303(b), Notice 2013-41]

~~HACA.~~ The PHA has the authority to grant extensions of search time, to specify the length of an extension, and to determine the circumstances under which extensions will be granted. There is no limit on the number of extensions that ~~HACA.~~ the PHA can approve. Discretionary policies related to extension and expiration of search time must be described in ~~HACA's.~~ the PHA's administrative plan [24 CFR 982.54].

PHAs must approve additional search time if needed as a reasonable accommodation to make the program accessible to and usable by a person with disabilities. The extension period must be reasonable for the purpose.

The family must be notified in writing of ~~HACA's~~ the PHA's decision to approve or deny an extension. ~~HACA~~ The PHA's decision to deny a request for an extension of the voucher term is not subject to informal review [24 CFR 982.554(c)(4)].

HACA Policy

For HACA applicants, HACA participants and portability participants in HACA's jurisdiction billed by HACA to an originating PHA who have indicated they will remain in HACA's jurisdiction, HACA will approve a ~~additional voucher~~ extensions only in the following circumstances:

It is necessary as a reasonable accommodation for a person with disabilities.

It is necessary due to reasons beyond the family's control, as determined by HACA.

Following is a list of extenuating circumstances that HACA may consider in making its decision. The presence of these circumstances does not guarantee that an extension will be granted:

Serious illness or death in the family

Other emergency (such as an accident or hospitalization or death)

~~In the case of portability, upon the written request of the receiving PHA, HACA will consider a 30-day extension to allow for completion of the transfer process.~~

Any request for an ~~additional~~-extension must be made in writing before the family's voucher expires and include the reason(s) an ~~additional~~-extension is necessary. HACA may require the family to provide documentation to support the request or obtain verification from a qualified third party.

~~All requests for extensions to the voucher term must be made in writing and submitted to HACA prior to the expiration date of the voucher (or extended term of the voucher).~~

HACA will decide whether to approve or deny an extension request within 10 business days of the date the request is received, and will immediately provide the family written notice of its decision.

For participants and applicants that intend to move from HACA's jurisdiction under portability, HACA will follow the policies outlined in 10-II.B.

For participants and applicants that intend to move to HACA's jurisdiction under portability, HACA will follow the policies outlined in 10-II.C.

EXHIBIT 6-2: ANNUAL INCOME EXCLUSIONS³

24 CFR 5.609

(c) Annual income does not include the following:

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in Sec. 5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) (i) Amounts received under training programs funded by HUD;
- (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for HACA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of HACA's governing board. No resident may receive more than one such stipend during the same period of time;
- (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
- (9) Temporary, nonrecurring or sporadic income (including gifts);
- (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (12) Adoption assistance payments in excess of \$480 per adopted child;
- (13) [Reserved]
- (14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.
- (15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
- (16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- (17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to HACAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. The following benefits qualify for this exclusion: [See Section 6.1.M for a list of benefits that qualify for this exclusion.]
- a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b));
- b) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(e), 5058);
- c) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c));
- d) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
- e) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));
- f) Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b); (effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931);
- g) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub.L- 94-540, 90 Stat. 2503-04);
- h) The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408);
- i) Amounts of scholarships funded under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070), including awards under federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For section 8 programs only (42 U.S.C. 1437f).

any financial assistance in excess of amounts received by an individual for tuition and any other required fees and charges under

the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher

education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall not be considered income to that

individual if the individual is over the age of 23 with dependent children (Pub. L. 109-115, section 327) (as amended)::

j) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f));

k) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in In Re Agent-product liability litigation, M.D.L. No. 381 (E.D.N.Y.);

l) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);

m) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858a);

n) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(i));

o) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433);

p) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));

q) Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805);

r) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602);

s) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931);

t) Any amount received under the Richard B. Russell School Lunch Act (42 U.S.C. 1760(e)) and the Child

Nutrition Act of 1966 (42 U.S.C.1780(b)), including reduced-price lunches and food under the Special

Supplemental Food Program for Women, Infants, and Children (WIC);

u) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b));

v) Payments from any deferred U.S. Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts (42 U.S.C. § 1437a(b)(4));

w) Compensation received by or on behalf of a veteran for service-connected disability, death, dependency, or indemnity compensation as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010 (Pub. L. 111-269; 25 U.S.C. 4103(9)) to the definition of income applicable to programs authorized under the Native American Housing Assistance and Self-Determination Act (NAHASDA) (25 U.S.C. 4101 et seq.) and administered by the Office of Native American Programs;

x) A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, 816 F.Supp.2d 10 (Oct. 5, 2011 D.D.C.), for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010 (Pub. L. 111-291);

y) Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002 (Pub. L. 107-110, 42 U.S.C. 604(h)(4)); (xxv) Per capita payments made from the proceeds of Indian Tribal Trust Cases as described in PIH Notice 2013-30 "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 U.S.C. 117b(a)); and

z) Major disaster and emergency assistance received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93-288, as amended) and comparable disaster assistance provided by States, local governments, and disaster assistance organizations (42 U.S.C. 155(d)).

Notice and Scheduling

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

PHA-HACA Policy

~~Both the family and the owner will be given reasonable notice of all inspections. The family will be given reasonable notice of all inspections.~~ Except in the case of a life threatening emergency,

- Reasonable notice is considered to be not less than 48 hours.
- Inspections ~~may be scheduled between 8:00 a.m. and 7:00 p.m. Generally inspections will be conducted on during normal business days only hours.~~

In the case of a life threatening emergency, ~~the PHA/HACA~~ will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

HUD permits the PHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

PHA-HACA Policy

When a family occupies the unit at the time of inspection an adult family member must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

At initial inspection of a vacant unit, ~~the PHA/HACA~~ will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

8-ILB. INITIAL HQS INSPECTION [24 CFR 982.401(a)]

Timing of Initial Inspections

HUD requires the unit to pass HQS before the effective date of the lease and HAP Contract. HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days. The 15-day period is suspended for any period during which the unit is not available for inspection [982.305(b)(2)].

PHA-HACA Policy

The PHAHACA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA).

Inspection Results and Reinspections

PHA-HACA Policy

If any HQS violations are identified, the owner will be notified of the deficiencies and be given a time frame to correct them. If requested by the owner, the time frame for correcting the deficiencies may be extended by the PHAHACA for good cause.

HACAThe PHA will reinspect the unit within 5 business days of the date the owner notifies the PHAHACA that the required corrections have been made.

If the time period for correcting the deficiencies (or any PHAHACA-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, the PHAHACA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. The PHAHACA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following a failed reinspection, the family may submit a new Request for Tenancy Approval after the owner has made repairs, if they are unable to locate another suitable unit provided their voucher has not expired.

Utilities

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

PHA-HACA Policy

If utility service is not available for testing at the time of the initial inspection, ~~HACA~~the PHA will allow the utilities to be placed in service after the unit has met all other HQS requirements. ~~The PHA/HACA~~ will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by ~~the PHA/HACA~~.

Appliances

PHA-HACA Policy

If the family is responsible for supplying the stove and/or refrigerator, ~~the PHA/HACA~~ will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by ~~the PHA/HACA~~. ~~The PHA/HACA will execute the HAP contract based upon a certification from the family that the appliances have been installed and are working. A confirmatory inspection will be scheduled within 30 days of HAP contract approval.~~ reinspect the unit to confirm that appliances are in place and operational before the HAP contract is executed by HACA.

8-II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life threatening condition and (2) whether the family or owner is responsible.

PHA-HACA Policy

When failures that are not life-threatening are identified, HACA will send the owner and the family a written notification of the inspection results within 5 business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally not more than 30 days will be allowed for the correction.

When life-threatening conditions are identified, ~~the PHA~~HACA will immediately notify both parties by telephone, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the ~~PHA~~HACA's notice.

~~When failures that are not life-threatening are identified, the PHA will send the owner and the family a written notification of the inspection results within 5 business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally not more than 30 days will be allowed for the correction.~~

The notice of inspection results will inform the owner that if the owner is the responsible party and life-threatening conditions are not corrected within 24 hours, and non-life-threatening conditions are not corrected within the specified time frame (or any ~~PHA~~HACA-approved extension), the owner's HAP will be abated in accordance with ~~PHA~~HACA policy (see 8-II.G.). Likewise, in the case of family caused deficiencies, if life-threatening conditions are not corrected within 24 hours, and non-life-threatening conditions are not corrected within the specified time frame (or any HACA-approved extension) the notice will inform the family that if corrections are not made within the specified time frame (or any PHA approved extension, if applicable) the family's assistance will be terminated in accordance with ~~PHA~~HACA policy (see Chapter 12).

Briefing

The regulations and policies on briefings set forth in Chapter 5 of this plan require HACA to provide information on portability to all applicant families that qualify to lease a unit outside HACA's jurisdiction under the portability procedures. Therefore, no special briefing is required for these families.

HACA Policy

No formal briefing will be required for a participant family wishing to move outside of HACA's jurisdiction under portability. However, HACA will provide the family with a general explanation of portability (see Chapter 5). HACA will provide the name, address, and phone of the portability contact person for the PHA in the jurisdiction to which the family wishes to move. HACA will advise the family that, until the earliest of the expiration of the voucher issued by HACA, execution of a new HAP contract by the receiving PHA, or the termination of the participant's assistance by either HACA or the receiving PHA, the family will be under HACA's policies and procedures, including its subsidy standards and voucher extension policies.

Voucher Issuance and Term

An applicant family has no right to portability until after the family has been issued a voucher [24 CFR 982.353(b)]. In issuing vouchers to applicant families, HACA will follow the regulations and procedures set forth in Chapter 5.

HACA Policy

For participating families approved to move under portability, HACA will issue a new voucher within 10 business days of the later of: the family's notification that it wishes to move, or if a reexamination is required, the completion date of the reexamination.

The initial term of the voucher will be 90 days.

Voucher Extensions and Expiration

HACA Policy

~~HACA will approve no extensions to a voucher issued to an applicant or participant family porting out of HACA's jurisdiction except under the following circumstances: (a) the initial term of the voucher will expire before the portable family will be issued a voucher by the receiving PHA, (b) the family decides to return to the initial PHA's jurisdiction and search for a unit there, or (c) the family decides to search for a unit in a third PHA's jurisdiction. In such cases, the policies on voucher extensions set forth in Chapter 5, section 5-II.E, of this plan will apply, including the requirement that the family apply for an extension in writing prior to the expiration of the initial voucher term.~~

For HACA applicants, HACA participants and billed portability participants who have indicated they will remain in HACA's jurisdiction (as applicable), HACA will approve a voucher extension only in the following circumstances:

It is necessary as a reasonable accommodation for a person with disabilities.

It is necessary because the family (a) decides to return to HACA's jurisdiction and search for a unit here, or (b) decides to search for a unit in a third PHA's jurisdiction. HACA will consider a 30 day extension in these instances.

It is necessary due to reasons beyond the family's control, as determined by HACA.

Following is a list of reasons beyond the family's control that HACA may consider in making its decision. The presence of these circumstances does not guarantee that an extension will be granted:

Serious illness or death in the family

Other emergency (such as an accident or hospitalization or death)

Upon the written request of the receiving PHA, HACA will consider a 30 day extension to allow for completion of the transfer process. If the receiving PHA refuses to provide a written request but it can be documented that the request has been made to the receiving housing authority, HACA will consider this criteria met and will consider the extension.

Any request for an extension must be made in writing before the family's voucher expires and include the reason(s) an extension is necessary. HACA may require the family to provide documentation to support the request or obtain verification from a qualified third party.

HACA will decide whether to approve or deny an extension request within 10 business days of the date the request is received, and will immediately provide the family written notice of its decision.

To receive or continue receiving assistance under ~~the initial PHA~~HACA's voucher program, a family that moves to another PHA's jurisdiction under portability must be under HAP contract in the receiving PHA's jurisdiction within 60 days following the expiration date of the initial PHA's voucher term (including any extensions). (See below under "Initial Billing Deadline" for one exception to this policy.)

Voucher Issuance

When a family moves into its jurisdiction under portability, the receiving PHA is required to issue the family a voucher [24 CFR 982.355(b)(6)]. The family must submit a request for tenancy approval to the receiving PHA during the term of the receiving PHA's voucher [24 CFR 982.355(c)(6)].

Timing of Voucher Issuance

HUD expects the receiving PHA to issue the voucher within two weeks after receiving the family's HUD-52665 and supporting documentation from the initial PHA if the information is in order, the family has contacted the receiving PHA, and the family complies with the receiving PHA's procedures [Notice PIH 2012-42].

HACA Policy

When a family ports into its jurisdiction, HACA will issue the family a voucher based on the paperwork provided by the initial PHA unless the family's paperwork from the initial PHA is incomplete, the family's voucher from the initial PHA has expired or the family does not comply with the HACA's procedures.

HACA will conduct a criminal background check on all adult household members. HACA will not delay issuing the family a voucher or otherwise delay approval of a unit until this process is completed. However, HACA may take subsequent action (e.g. terminating the family's participation in the program due to criminal background or failing to disclose necessary information) against the family based on the results.

Voucher Term

The term of the receiving PHA's voucher may not expire before the term of the initial PHA's voucher [24 CFR 982.355(c)(6)].

HACA Policy

HACA's voucher will expire ~~no earlier than~~ on the same day as the initial PHA's voucher.

Voucher Extensions [24 CFR 982.355(c)(6), Notice 2012-42]

The receiving PHA may provide additional search time to the family beyond the expiration date of the initial PHA's voucher; however, if it does so, it must inform the initial PHA of the extension. It must also bear in mind the billing deadline provided by the initial PHA. Unless willing and able to absorb the family, the receiving PHA should ensure that any voucher expiration date would leave sufficient time to process a request for tenancy approval, execute a HAP contract, and deliver the initial billing to the initial PHA.

PHA Policy

Except as a reasonable accommodation to a person with disabilities (see Chapter 2), HACA will not extend its voucher beyond the expiration of the initial PHA's voucher. Except for any extension of HACA's voucher as a reasonable accommodation, any extension of the family's search time must be requested of the initial PHA by the family in accordance with the initial PHA's requirements and approved by the initial PHA. If the initial PHA does not approve an extension or if the incoming portable family

ultimately decides not to lease in HACA's jurisdiction, but, instead, wishes to return to the jurisdiction of the initial PHA or to search in another jurisdiction, HACA will refer the family back to the initial PHA. Any extensions of the initial PHA's voucher necessary to allow the family additional search time to return to the initial PHA's jurisdiction or to move to another jurisdiction is at the discretion of the initial PHA.

If HACA extends the term of the voucher that it issues to an incoming portable family beyond the date of the initial PHA's voucher, as a reasonable accommodation, and does not absorb the family into its own program, HACA will, nonetheless, honor the initial billing deadline for notifying the initial PHA in time that the notice will be received no later than 60 days following the expiration date of the family's voucher issued by the initial PHA.

If HACA is issuing the family a voucher whose term extends beyond the date of the initial PHA's voucher, HACA will inform the family that the extension of search time provided by HACA's voucher is only valid for the family's search in HACA's jurisdiction.

Any request for an extension must be made in writing before the family's voucher expires and include the reason(s) an extension is necessary. HACA may require the family to provide documentation to support the request or obtain verification from a qualified third party.

HACA will decide whether to approve or deny an extension request within 10 business days of the date the request is received, and will immediately provide the family written notice of its decision.