

Annual PHA Plan <i>(Standard PHAs and Troubled PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 02/29/2016
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Applicability. Form HUD-50075-ST is to be completed annually by **STANDARD PHAs** or **TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

Definitions.

- 1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- 2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- 3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- 4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- 5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- 6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.																														
A.1	<p>PHA Name: <u>Housing Authority of the City of Freeport</u> PHA Code: <u>IL029</u> PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>04/2023</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)</p> <p>All inventory located in Freeport, IL 61032</p> <ul style="list-style-type: none"> • Administrative Offices, 1052 West Galena Avenue • Amp 1 Parkside Apartments (Vacant and Offline-Approved for Demo-Dispo) • Amp 2, Westview Apartments, Douglas Village Apartments, and Gilmore Apartments <p>Number of Public Housing (PH) Units <u>196</u> Number of Housing Choice Vouchers (HCVs) <u>N/A</u> Total Combined Units/Vouchers: <u>N/A</u> PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. A 45-Day Public Comment Period for the Draft 2023 Annual Plan and the 2023-2028 Five-year Plan will commence on November 18, 2022 and conclude on January 3, 2023. Three Public Hearing will be held: January 6, 2023, at 9:00 a.m. at the Westview Community Center, 1435 Westview Road Freeport, IL 60132. The final draft will be presented to the HACF Board of Commissioners at January 2023 Board of Commissioners Meeting.</p> <p>Copies of the draft and approved 2023 Annual Plan and updates to the 2022/2026 Five-Year Plan are available at all Public Housing sites, the HACF Central Office and on the HACF website at www.freeporthousing.us. All supporting documentation is available at the HACF Central Officer of via the HACF website.</p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)</p> <table border="1"> <thead> <tr> <th rowspan="2">Participating PHAs</th> <th rowspan="2">PHA Code</th> <th rowspan="2">Program(s) in the Consortia</th> <th rowspan="2">Program(s) not in the Consortia</th> <th colspan="2">No. of Units in Each Program</th> </tr> <tr> <th>PH</th> <th>HCV</th> </tr> </thead> <tbody> <tr> <td>Lead PHA:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>					Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:																	
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B. Annual Plan Elements**B.1 Revision of PHA Plan Elements.****(a) Have the following PHA Plan elements been revised by the PHA?**

Y N

- ☐ ☒ Statement of Housing Needs and Strategy for Addressing Housing Needs
- ☒ ☐ Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
- ☒ ☐ Financial Resources.
- ☐ ☒ Rent Determination.
- ☐ ☒ Operation and Management.
- ☒ ☐ Grievance Procedures.
- ☐ ☒ Homeownership Programs.
- ☒ ☐ Community Service and Self-Sufficiency Programs.
- ☒ ☐ Safety and Crime Prevention.
- ☐ ☒ Pet Policy.
- ☒ ☐ Asset Management.
- ☒ ☐ Substantial Deviation.
- ☒ ☐ Significant Amendment/Modification

(b) The PHA must submit its Deconcentration Policy for Field Office review.**(c) If the PHA answered yes for any element, describe the revisions for each revised element(s):****Statement of Housing Needs and Strategy for Address Housing Needs**

The 2022 published income limits for Stephenson County, IL based on a family of four:

- Extremely Low (0-30% Area Median Income (AMI)): \$27,750
- Very Low (>30% - 50% AMI): \$37,920
- Low Income (>50% - 80% AMI): \$60,700

2021 United States Census Bureau Population Estimates for Freeport IL: 23,650

In 2020, the median income for a household in the city was \$39,787 and the median income for a family was \$43,787. Males in Illinois have an average income that is 1.34 times higher than the average income of females, which is \$57,880. Households in Freeport, IL have a median annual income of \$39,787, which is less than the median annual income of \$64,994 across the entire United States. This is in comparison to a median income of \$39,975 in 2019, which represents a -0.47% annual growth.

Housing & Living

The median property value in Stephenson County, IL was \$99,600 in 2020, which is 0.433 times smaller than the national average of \$229,800. Between 2019 and 2020 the median property value increased from \$97,800 to \$99,600, a 1.84% increase. The homeownership rate in Stephenson County, IL is 69.9%, which is higher than the national average of 64.4%. People in Stephenson County, IL have an average commute time of 22.8 minutes, and they drove alone to work. Car ownership in Stephenson County, IL is approximately the same as the national average, with an average of 2 cars per household.

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

The PHA's admission policy must be designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects. A statement of the PHA's deconcentration policies must be included in its annual plan [24 CFR 903.7(b)].

The PHA's deconcentration policy must comply with its obligation to meet the income targeting requirement [24 CFR 903.2(c)(5)].

Developments subject to the deconcentration requirement are referred to as 'covered developments' and include general occupancy (family) public housing developments. The following developments are not subject to deconcentration and income mixing requirements: developments operated by a PHA with fewer than 100 public housing units; mixed population or developments designated specifically for elderly or disabled families; developments operated by a PHA with only one general occupancy development; developments approved for demolition or for conversion to tenant-based public housing; and developments approved for a mixed-finance plan using HOPE VI or public housing funds [24 CFR 903.2(b)].

Steps for Implementation [24 CFR 903.2(c)(1)]

To implement the statutory requirement to deconcentrate poverty and provide for income mixing in covered developments, the PHA must comply with the following steps:

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

HACF Policy

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

<p>BI.</p>	<p>Step 2. The PHA must determine the average income (or median income, if median income was used in Step 1) of all families residing in each covered development. In determining average income for each development, the PHA has the option of adjusting its income analysis for unit size in accordance with procedures prescribed by HUD.</p> <p><u>HACF Policy</u> <i>The HACF will determine the average income of all families residing in each covered development (not adjusting for unit size) on an annual basis.</i></p> <p>Step 3. The PHA must then determine whether each of its covered developments falls above, within, or below the established income range (EIR), which is from 85% to 115% of the average family income determined in Step 1. However, the upper limit must never be less than the income at which a family would be defined as an extremely low-income family (federal poverty level or 30 percent of median income, whichever number is higher).</p> <p>Step 4. The PHA with covered developments having average incomes outside the EIR must then determine whether or not these developments are consistent with its local goals and annual plan.</p> <p>Step 5. Where the income profile for a covered development is not explained or justified in the annual plan submission, the PHA must include in its admission policy its specific policy to provide for deconcentration of poverty and income mixing.</p> <p>Depending on local circumstances the PHA's deconcentration policy may include, but is not limited to the following:</p> <ul style="list-style-type: none"> • Providing incentives to encourage families to accept units in developments where their income level is needed, including rent incentives, affirmative marketing plans, or added amenities. • Targeting investment and capital improvements toward developments with an average income below the EIR to encourage families with incomes above the EIR to accept units in those developments. • Establishing a preference for admission of working families in developments below the EIR. • Skipping a family on the waiting list to reach another family in an effort to further the goals of deconcentration. • Providing other strategies permitted by statute and determined by the PHA in consultation with the residents and the community through the annual plan process to be responsive to local needs and PHA strategic objectives. <p>A family has the sole discretion whether to accept an offer of a unit made under the PHA's deconcentration policy. The PHA must not take any adverse action toward any eligible family for choosing not to accept an offer of a unit under the PHA's deconcentration policy [24 CFR 903.2(c)(4)].</p> <p>If, at annual review, the average incomes at all general occupancy developments are within the EIR, the PHA will be considered to be in compliance with the deconcentration requirement and no further action is required.</p> <p><u>HACF Policy</u> <i>For developments outside the EIR the HACF will take the following actions to provide for deconcentration of poverty and income mixing: The Housing Authority of the City of Freeport will use any of the above recommendations to be consistent and nondiscriminatory with its selections from the wait list. The HACF will check the need for deconcentration annually and remedy as needed.</i></p>
	<p><u>Policies that Govern Eligibility, Selection and Admissions</u></p> <p>The PHA is responsible for ensuring that every individual and family admitted to the public housing program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the PHA to confirm eligibility and determine the level of the family's assistance.</p> <p>To be eligible for the public housing program:</p> <ul style="list-style-type: none"> • The applicant family must: <ul style="list-style-type: none"> <input type="checkbox"/> Qualify as a family as defined by HUD and the PHA. <input type="checkbox"/> Have income at or below HUD-specified income limits. <input type="checkbox"/> Qualify on the basis of citizenship or the eligible immigrant status of family members. <input type="checkbox"/> Provide social security number information for household members as required. <input type="checkbox"/> Consent to the PHA's collection and use of family information as provided for in PHA-provided consent forms. • The PHA must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the PHA. <p>Policies regarding the Eligibility, Selection and Admissions to Public Housing in its entirety can be found on HACF's website: www.freeporthousing.us.</p> <p><u>TENANT SELECTION TO PUBLIC HOUSING</u> ACOP 4-HI.B. SELECTION METHOD PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use.</p>

Local Preferences [24 CFR 960.206]

PHAs are permitted to establish local preferences and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the PHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the PHA plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources [24 CFR 960.206(a)].

HACF Policy

The HACF will use the following local preferences. Preference points are not cumulative.

- B1.**
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|------------------|--|
| 30 points | Applicants who live/work/or are hired to work in Stephenson County, who are families with children (under the age of 18), and families whose head of house or spouse/cohead is disabled or age 62 or older, or who are veterans or active U.S. Servicepersons |
| | “Working is defined as any adult in the household is working 20 or more hours per week. |
| 20 points | Other applicants who live/work/are hired to work in Stephenson County. |
| 10 points | Applicants who do not live/work/are not hired to work in Stephenson County, who are families with children (under the age of 18), and families whose head of house or spouse/cohead is disabled or age 62 or older, or who are veterans or active U.S. Servicepersons. |
| 5 points | Other applicants who do not live/work/or not hired to work in Stephenson County. |

EMERGENCY TRANSFERS

12-I.A. OVERVIEW

HUD categorizes certain situations that require emergency transfers [PH Occ GB, p. 147]. The emergency transfer differs from a typical transfer in that it requires immediate action by the PHA.

In the case of a genuine emergency, it may be unlikely that the PHA will have the time or resources to immediately transfer a tenant. Due to the immediate need to vacate the unit, placing the tenant on a transfer waiting list would not be appropriate. Under such circumstances, if an appropriate unit is not immediately available, the PHA should find alternate accommodations for the tenant until the emergency passes, or a permanent solution, i.e., return to the unit or transfer to another unit, is possible.

12-I.B. EMERGENCY TRANSFERS

If the dwelling unit is damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants, the PHA must offer standard alternative accommodations, if available, where necessary repairs cannot be made within a reasonable time [24 CFR 966.4(h)].

The VAWA 2013 final rule requires the PHA to adopt an emergency transfer plan for victims of domestic violence, dating violence, sexual assault, or stalking.

HACF Policy

The following are considered emergency circumstance warranting an immediate transfer of the tenant or family:

Maintenance conditions in the resident's unit, building or at the site that pose an immediate, verifiable threat to the life, health, or safety of the resident or family members that cannot be repaired or abated within 24 hours. Examples of such unit or building conditions would include: a gas leak, no heat in the building during the winter, no water, toxic contamination, and serious water leaks.

A verified incident of domestic violence, dating violence, sexual assault, or stalking. For instances of domestic violence, dating violence, sexual assault, or stalking, the threat may be established through documentation outlined in section 16-VII.D. In order to request the emergency transfer, the requestor must submit an emergency transfer request form (HUD-5383) (Exhibit 16-4 of this ACOP), although, the HACF may waive this requirement in order to expedite the transfer process.

The HACF will immediately process requests for transfers due to domestic violence, dating violence, sexual assault, or stalking. The HACF will allow a tenant to make an internal emergency transfer under VAWA when a safe unit is immediately available. The HACF defines immediately available as a vacant unit, that is ready for move-in within a reasonable period of time, not to exceed five (5) days. If an internal transfer to a safe unit is not immediately available, the HACF will assist the resident in seeking an external emergency transfer either within or outside the PHA's programs.

RENT DETERMINATIONS

A family's annual income is used to determine their income eligibility for the public housing program and is also used to calculate the amount of the family's rent payment. The PHA will use the policies and methods described in this chapter to ensure that only income-eligible families receive assistance and that no family pays more or less rent than is required under the regulations. This chapter describes HUD regulations and PHA policies related to these topics in three parts as follows:

Part I: Annual Income. HUD regulations specify the sources of income to include and exclude to arrive at a family's annual income. These requirements and PHA policies for calculating annual income are found in Part I.

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

Part III: Calculating Rent. This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining family rent payment. Also included here are flat rents and the family's choice in rents.

Part I: Annual Income

The general regulatory definition of annual income shown below is from 24 CFR 5.609.

5.609 Annual income.

(a) Annual income means all amounts, monetary or not, which:

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
 - (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
 - (3) Which are not specifically excluded in paragraph [5.609(c)].
- (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

6-I.B. HOUSEHOLD COMPOSITION AND INCOME

BI. Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

Summary of Income Included and Excluded by Person

Live-in aides Income from all sources is excluded [24 CFR 5.609(c)(5)].

Foster child or foster adult Income from all sources is excluded [24 CFR 5.609(a)(1)].

Head, spouse, or cohead

Other adult family members, all sources of income not specifically excluded by the regulations are included.

Children under 18 years of age, employment income is excluded [24 CFR 5.609(c)(1)].

All other sources of income, except those specifically excluded by the regulations, are included.

Full-time students 18 years of age or older (not head, spouse, or cohead) Employment income above \$480/year is excluded [24 CFR 5.609(c)(11)].

All other sources of income, except those specifically excluded by the regulations, are included.

Temporarily Absent Family Members

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit [HCV GB, p. 5-18].

-I.C. ANTICIPATING ANNUAL INCOME

The PHA is required to count all income "anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date" [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

Basis of Annual Income Projection

The PHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the PHA to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB, p. 5-17]
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]
- The PHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

PHAs are required to use HUD's Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].

6-I.G. ASSETS [24 CFR 5.609(b)(3) and 24 CFR 5.603(b)]

When net family assets are \$5,000 or less, the PHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, the PHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by the PHA.

6-I.I. PAYMENTS IN LIEU OF EARNINGS

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as income [24 CFR 5.609(b)(5)] if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts [24 CFR 5.609(c)(3)].

6-I.H. PERIODIC PAYMENTS

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

Periodic Payments Included in Annual Income

- Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)].
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14]

6-I.J. WELFARE ASSISTANCE**Overview**

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments [24 CFR 5.603(b)].

6-I.K. PERIODIC AND DETERMINABLE ALLOWANCES [24 CFR 5.609(b)(7)]

Annual income includes periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing with a tenant family.

Regular Contributions or Gifts

The PHA must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with a tenant family [24 CFR 5.609(b)(7)]. Temporary, nonrecurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].

6-I.L. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME

Other exclusions contained in 24 CFR 5.609(c) and updated by FR Notice 5/20/14 that have not been discussed earlier in this chapter include the following:

- Reimbursement of medical expenses [24 CFR 5.609(c)(4)]
- The full amount of student financial assistance paid directly to the student or to the educational institution [24 CFR 5.609(c)(6)].

HACF Policy

Regular financial support from parents or guardians to students for food, clothing personal items, and entertainment is not considered student financial assistance and is included in annual income.

B1.

- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(8)(iii)]
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(c)(8)(ii)]
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(c)(10)]
- Adoption assistance payments in excess of \$480 per adopted child [24 CFR 5.609(c)(12)]
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(c)(15)]
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17), FR Notice 5/20/14]. HUD publishes an updated list of these exclusions periodically. It includes:
 - a. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
 - b. Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC
 - c. Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
 - d. Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
 - e. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
 - f. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
 - g. Payments received under programs funded in whole or in part under the Workforce Investment Act of 1998 (29 U.S.C. 2931)
 - h. Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts
 - i. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)
 - j. Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b))
 - k. A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010
 - l. The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)
 - m. Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs)
 - n. Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
 - o. 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 Orange product liability litigation*, M.D.L. No. 381 (E.D.N.Y.)
 - p. Payments received under 38 U.S.C. 1833(e) to children of Vietnam veterans born with spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spinal bifida
 - q. Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
 - r. 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. 9858g)
 - s. Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))
 - t. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)
 - u. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, the exception found in § 237 of Public Law 109-249 applies and requires that the amount of financial assistance in excess of tuition shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109-249)
 - v. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
 - w. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)
 - x. Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002
 - y. Payments made from the proceeds of Indian tribal trust cases as described in Notice PIH 2013-30, "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 U.S.C. 117b(a))
 - z. Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations

Part II: Adjusted Annual Income

HUD regulations require PHAs to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income. Mandatory deductions are found in 24 CFR 5.611.

5.611(a) Mandatory deductions. In determining adjusted income, the responsible entity (PHA) must deduct the following amounts from annual income:

- (1) \$480 for each dependent;
- (2) \$400 for any elderly family or disabled family;
- (3) The sum of the following, to the extent the sum exceeds three percent of annual income:
 - (i) Unreimbursed medical expenses of any elderly family or disabled family;
 - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

B1.

6-II.G. PERMISSIVE DEDUCTIONS [24 CFR 5.611(b)(1)]

Permissive deductions are additional, optional deductions that may be applied to annual income. As with mandatory deductions, permissive deductions must be based on need or family circumstance and deductions must be designed to encourage self-sufficiency or other economic purpose. If the PHA offers permissive deductions, they must be granted to all families that qualify for them and should complement existing income exclusions and deductions [PH Occ GB, p. 128].

The Form HUD-50058 Instruction Booklet states that the maximum allowable amount for total permissive deductions is less than \$90,000 per year.

HACF Policy

The HACF has opted not to use permissive deductions.

Part III: Calculating Rent

6-III.A. OVERVIEW OF INCOME-BASED RENT CALCULATIONS

The first step in calculating income-based rent is to determine each family's total tenant payment (TTP). Then, if the family is occupying a unit that has tenant-paid utilities, the utility allowance is subtracted from the TTP. The result of this calculation, if a positive number, is the tenant rent. If the TTP is less than the utility allowance, the result of this calculation is a negative number, and is called the utility reimbursement, which may be paid to the family or directly to the utility company by the PHA.

TTP Formula [24 CFR 5.628]

HUD regulations specify the formula for calculating the total tenant payment (TTP) for a tenant family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10 percent of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between \$0 and \$50 that is established by the PHA

The PHA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6-III.B.

Welfare Rent [24 CFR 5.628]

HACF Policy

Welfare rent does not apply in this locality.

Minimum Rent [24 CFR 5.630]

HACF Policy

The minimum rent for this locality is \$50.

Optional Changes to Income-Based Rents [24 CFR 960.253(c)(2) and PH Occ GB, pp. 131-134]

PHAs have been given very broad flexibility to establish their own, unique rent calculation systems as long as the rent produced is not higher than that calculated using the TTP and mandatory deductions. At the discretion of the PHA, rent policies may structure a system that uses combinations of permissive deductions, escrow accounts, income-based rents, and the required flat and minimum rents.

The PHA's minimum rent and rent choice policies still apply to affected families. Utility allowances are applied to PHA designed income-based rents in the same manner as they are applied to the regulatory income-based rents.

The choices are limited only by the requirement that the method used not produce a TTP or tenant rent greater than the TTP or tenant rent produced under the regulatory formula.

HACF Policy

The HACF chooses not to adopt optional changes to income-based rents.

Ceiling Rents [24 CFR 960.253 (c)(2) and (d)]

Ceiling rents are used to cap income-based rents. They are part of the income-based formula. If the calculated TTP exceeds the ceiling rent for the unit, the ceiling rent is used to calculate tenant rent (ceiling rent/TTP minus utility allowance). Increases in income do not affect the family since the rent is capped. The use of ceiling rents fosters upward mobility and income mixing.

Because of the mandatory use of flat rents, the primary function of ceiling rents now is to assist families who cannot switch back to flat rent between annual reexaminations and would otherwise be paying an income-based tenant rent that is higher than the flat rent.

Ceiling rents must be set to the level required for flat rents (which will require the addition of the utility allowance to the flat rent for properties with tenant-paid utilities) [PH Occ GB, p. 135].

HACF Policy

The HACF chooses not to use ceiling rents.

Utility Reimbursement [24 CFR 960.253(c)(4)]

Utility reimbursement occurs when any applicable utility allowance for tenant-paid utilities exceeds the TTP. HUD permits the PHA to pay the reimbursement to the family or directly to the utility provider.

HACF Policy

The HACF will make utility reimbursements to the utility provider. The electric company (Commonwealth Edison) is paid April through September. The gas company (Nicor) is paid October through March.

The PHA may make all utility reimbursement payments to qualifying families on a monthly basis or may make quarterly payments when the monthly reimbursement amount is \$15.00 or less. Reimbursements must be made once per calendar-year quarter, either prospectively or retroactively, and must be prorated if the family leaves the program in advance of its next quarterly reimbursement. The PHA must also adopt hardship policies for families for whom receiving quarterly reimbursement would create a financial hardship. The PHA must issue reimbursements that exceed \$15.00 per month on a monthly basis.

B1.

HACF Policy

The HACF will issue all utility reimbursements monthly.

6-III.D. PRORATED RENT FOR MIXED FAMILIES [24 CFR 5.520]

HUD regulations prohibit assistance to ineligible family members. A mixed family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. The PHA must prorate the assistance provided to a mixed family. The PHA will first determine TTP as if all family members were eligible and then prorate the rent based upon the number of family members that actually are eligible.

To do this, the PHA must:

- (1) Subtract the TTP from the flat rent applicable to the unit. The result is the maximum subsidy for which the family could qualify if all members were eligible.
- (2) Divide the family maximum subsidy by the number of persons in the family to determine the maximum subsidy per each family member who is eligible (member maximum subsidy).
- (3) Multiply the member maximum subsidy by the number of eligible family members.
- (4) Subtract the subsidy calculated in the last step from the flat rent. This is the prorated TTP.
- (5) Subtract the utility allowance for the unit from the prorated TTP. This is the prorated rent for the mixed family.

HACF Policy

Revised public housing flat rents will be applied to a mixed family's rent calculation at the first annual reexamination after the revision is adopted.

- (6) When the mixed family's TTP is greater than the applicable flat rent, use the TTP as the prorated TTP. The prorated TTP minus the utility allowance is the prorated rent for the mixed family.

6-III.E. FLAT RENTS AND FAMILY CHOICE IN RENTS [24 CFR 960.253]

Flat Rents [24 CFR 960.253(b)]

The flat rent is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.

Changes in family income, expenses, or composition will not affect the flat rent amount because it is outside the income-based formula.

Policies related to the reexamination of families paying flat rent are contained in Chapter 9, and policies related to the establishment and review of flat rents are contained in Chapter 16.

Family Choice in Rents [24 CFR 960.253(a) and (c)]

Once each year, the PHA must offer families the choice between a flat rent and an income-based rent. The family may not be offered this choice more than once a year. The PHA must document that flat rents were offered to families under the methods used to determine flat rents for the PHA.

HACF Policy

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

The HACF will require families to submit their choice of flat or income-based rent in writing and will maintain such requests in the tenant file as part of the admission or annual reexamination process.

The PHA must provide sufficient information for families to make an informed choice. This information must include the PHA's policy on switching from flat rent to income-based rent due to financial hardship and the dollar amount of the rent under each option. However, if the family chose the flat rent for the previous year the PHA is required to provide an income-based rent amount only in the year that a reexamination of income is conducted or if the family specifically requests it and submits updated income information.

Switching from Flat Rent to Income-Based Rent Due to Hardship [24 CFR 960.253(f)]

A family can opt to switch from flat rent to income-based rent at any time if they are unable to pay the flat rent due to financial hardship. If the PHA determines that a financial hardship exists, the PHA must immediately allow the family to switch from flat rent to the income-based rent.

HACF Policy

Upon determination by the HACF that a financial hardship exists, the HACF will allow a family to switch from flat rent to income-based rent effective the first of the month following the family's request.

Reasons for financial hardship include:

- The family has experienced a decrease in income because of changed circumstances, including loss or reduction of employment, death in the family, or reduction in or loss of earnings or other assistance
- The family has experienced an increase in expenses, because of changed circumstances, for medical costs, child care, transportation, education, or similar items
- Such other situations determined by the PHA to be appropriate

HACF Policy

The HACF considers payment of flat rent to be a financial hardship whenever the switch to income-based rent would be lower than the flat rent [PH Occ GB, p. 137].

BI.

Phasing in Flat Rents [Notice PIH 2017-23; 24 CFR 960.253(b)]

When new flat rents requirements were implemented in 2014, HUD limited the increase for existing residents paying flat rent at that time to no more than 35 percent of the current tenant rent per year. In some cases, this meant that some residents had or will have their flat rents phased-in at the time of their annual recertification. To do this, PHAs conduct a flat rent impact analysis to determine whether a phase-in is or was necessary. For families whose flat rent is being phased-in, the PHA must multiply the family's current rent amount by 1.35 and compare the result to the flat rent under the PHA's policies. Families who have subsequently been admitted to the program or have subsequently selected flat rent will not experience a phase in.

Notice PIH 2017-23 requires that flat rents must be phased in at the full 35 percent per year. PHAs do not have the option of phasing in flat rent increases at less than 35 percent per year.

Flat Rents and Earned Income Disallowance [A&O FAQs]

Because the EID is a function of income-based rents, a family paying flat rent cannot qualify for the EID even if a family member experiences an event that would qualify the family for the EID. If the family later chooses to pay income-based rent, they would only qualify for the EID if a new qualifying event occurred.

Under the EID original calculation method, a family currently paying flat rent that previously qualified for the EID while paying income-based rent and is currently within their exclusion period would have the exclusion period continue while paying flat rent as long as the employment that is the subject of the exclusion continues. A family paying flat rent could therefore see a family member's exclusion period expire while the family is paying flat rent.

Under the EID revised calculation method, a family currently paying flat rent that previously qualified for the EID while paying income-based rent and is currently within their exclusion period would have the exclusion period continue while paying flat rent regardless whether the employment that is the subject of the exclusion continues. A family paying flat rent could therefore see a family member's exclusion period expire while the family is paying flat rent.

9-I.B STREAMLINED ANNUAL REEXAMINATIONS [24 CFR 960.257]

HUD permits PHAs to streamline the income determination process for family members with fixed sources of income. While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years the PHA may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest. The PHA may, however, obtain third-party verification of all income, regardless of the source. Further, upon request of the family, the PHA must perform third-party verification of all income sources.

Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.

Two streamlining options are available, depending upon the percentage of the family's income that is received from fixed sources. If at least 90 percent of the family's income is from fixed sources, the PHA may streamline the verification of fixed income and may choose whether to verify non-fixed income amounts in years where no fixed-income review is required. If the family receives less than 90 percent of its income from fixed sources, the PHA may streamline the verification of fixed income and must verify non-fixed income annually.

HACF Policy

The PHA will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed-income sources. The PHA will document in the file how the determination that a source of income was fixed was made.

If a family member with a fixed source of income is added, the PHA will use third-party verification of all income amounts for that family member.

If verification of the COLA or rate of interest is not available, the PHA will obtain third-party verification of income amounts.

Third-party verification of fixed sources of income will be obtained during the intake process and at least once every three years thereafter.

Third-party verification of non-fixed income will be obtained annually regardless of the percentage of family income received from fixed sources.

9-III.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION

The PHA must adopt policies prescribing when and under what conditions the family must report changes in family composition. However, due to provisions of the public housing lease, the PHA has limited discretion in this area.

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. Policies related to such transfers are located in Chapter 12.

HACF Policy

All families, those paying income-based rent as well as flat rent, must report all changes in family and household composition that occur between annual reexaminations (or annual updates).

The HACF will not conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

HACF Policy

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

Based on HUD's Notice of Denial [24 CFR 960.208(a)], the following significant change has been made to the PHA's ACOP:

When denying eligibility for admission, the PHA must provide the family a notice of VAWA rights (form HUD-5380) as well as the HUD VAWA self-certification form (form HUD-5382) in accordance with the Violence against Women Reauthorization Act of 2013, and as outlined in 16-VII.C. The notice and self-certification form must accompany the written notification of the denial of eligibility determination.

Financial Resources 2023

<u>Financial Resources</u>		
<u>Planned Sources and Uses</u>		
<u>Sources</u>	<u>Revenue</u>	<u>Planned Uses</u>
Federal		
• Operating Fund	\$1,007,150	Operations
• Capital Fund	780,745	Capital Improvements
• Family Support Services	282,760	Supportive Services
• Shortfall Funds	305,470	Reserves
CFP Funds Available	2,249,712	
Public Housing Dwelling Rental Income	315,000	Public Housing Operations
TOTAL RESOURCES	\$4,940,837	

Grievance Procedure

Mahoney, Silverman and Cross (Legal Counsel) Review of HACF Grievance Procedure & Applicable Authority

Community Services and Self-Sufficiency Program

See Attached 2023 HUD Approved Family Self-Sufficiency Action Plan

HACF anticipates procuring a qualified contractor to provide comprehensive, case management and supportive services to HUD-assisted families participating in its Family Support Services Program (FSS). Selected to provided will be awarded a two-year contract with HACF reserving the right to renew for three (3) additional one-year terms.

Significant Amendment/Modification

HUD statute, PIH Notice 99-51, requires that PHA's explain "Substantial Deviation" from the 5-Year Plan in their Annual Plans. The statute also provides that, while PHA's may change or modify their plans or policies described in them, and significant amendment or modification to the plan would require PHA's to submit a revised PHA Plan that has met full public process requirements. The Housing Authority of the City of Freeport defines the following circumstances will constitute as a significant amendment/modification to this agency's PHA Plan:

- Changes made to the admissions, policies, organizations of the waiting list and/ or tenant payments.
- Demolition and Disposition

Substantial Deviation

A substantial deviation may be defined as a loss and/or inadequate funding for a program, reallocation of funding to sustain programs and/or a change in regulatory requirements governing a program, thus requiring the PHA to amend its agency plan. HACF defines its substantial deviation from the PHA to include:

- Use of 2018 Capital Grant to fund tenant relocation cost due to disposition of AMP I – IL029000001(Parkside Apartments/Parkside Homes)

New Activities

(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?

Y N

- ☐ ☒ Hope VI or Choice Neighborhoods.
☒ ☐ Mixed Finance Modernization or Development.
☒ ☐ Demolition and/or Disposition.

- ☒ ☒ Designated Housing for Elderly and/or Disabled Families.
☒ ☒ Conversion of Public Housing to Tenant-Based Assistance.
☒ ☐ Conversion of Public Housing to Project-Based Assistance under RAD.
☐ ☒ Occupancy by Over-Income Families.
☐ ☒ Occupancy by Police Officers.
☐ ☒ Non-Smoking Policies.
☐ ☒ Project-Based Vouchers.
☐ ☒ Units with Approved Vacancies for Modernization.
☒ ☐ Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project-based units and general locations, and describe how project basing would be consistent with the PHA Plan.

Disposition – AMP I – IL029000001 (Parkside Apartments/Parkside Homes)

On October 22, 2020, the Special Application Center of the U.S. Department of Housing and Urban Development (HUD) reviewed and approved HACF's application for the disposition of 2 non-dwelling buildings, 18 dwelling buildings containing 71 dwelling units; and 3.91 acres of underlying land. Details of the proposed disposition are as follows:

Parkside Westview Home, IL029000001						
DOFA: 01-31-1957						
Bedroom Size	0-BR	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	2	8	34	15	12	71
Proposed Units	2	8	34	15	12	71
Number of Dwelling Buildings Existing						18
Number of Dwelling Buildings Proposed						18
Number of Non-Dwelling Buildings Existing						2
Number of Non-Dwelling Buildings Proposed						2
Number of (Dwelling and Non-Dwelling) ACC Units in PHA's Total Housing Inventory for All Developments						267
Existing Land				3.91 Acres		
Proposed Land				3.91 Acres		
Proposed Building Number Per PIC: Buildings 1 thru 18 (dwelling) and Buildings 79 & 80 (non-dwelling)						

HACF proposed the disposition based on the conditions in surrounding area due to health and safety and has justified the disposition of the property in accordance with the specific criteria of 24 CFR 970.17(a) and PIH Notice 2018-04 in the application under PHA Certification in Demolition and Disposition Addendum HUD-52860-A.

The subject property is located in a mapped regulatory floodway of the Pecatonica River. On March 18, 2019, a historic flood crest of 17.26 feet elevation at the gaging station in Freeport took place; it was the highest elevation recorded in 50 years. The flood event resulted in a water level up to finished grade floor elevation surrounding the buildings. The right-of-way of public streets surrounding the property were inundated, access from and to the site was blocked and there was a visible flow of water around the properties. HACF's maintenance staff constructed a temporary sidewalk bridge structure that was quickly washed away with the current. This area of the floodplain will often carry the flow of flood waters and is usually the area of greatest risk to structures within the floodplain. The March 18th historic flood event demonstrated the risks imposed on Parkside Homes and the HACF recognizes the immediate need for tenants to be relocated.

The Department of Housing and Urban Development concurred that the disposition is justified based on the conditions in the surrounding area due to health and safety risk to the residents. In accordance with 24 CFR 970.19(c), HACF procured an appraisal of the property which provided an estimated the Fair Market Value (FMV) of the property to be \$0, as of September 16, 2020. HACF proposed the disposition via public bid at or above FMV. HACF will not realize any proceeds from this disposition.

When the application was originally submitted to the HUD, 53 units proposed for disposition were occupied. On the date of approval, 45 units were occupied and 26 units were occupied within the previous 24 months. In compliance with all applicable relocation requirements of 24 CFR 970.21 and all applicable civil rights requirements, HACF requested 71 tenant protection vouchers (TPVs) from HUD based on this approval to assist in relocating residents. Displaced residents will receive counseling and advisory services such as assistance with accessing and addressing individual and family needs such as identifying challenges to relocating to their new homes, support with eligible moving and relocation expenses as determined by HUD and advisory services as appropriate and referrals to suitable, decent, and safe housing. HACF estimates the relocation cost to be \$38,743, which includes moving expenses and counseling/advisory services. HACF plans to use Capital Funds from FY 2018 for relocation expenses.

Based on the recent Special Application Center approval letter dated October 22, 2020, relocation was projected to take 18-24 months. HACF is a Public Housing only PHA and has no Section 8 HCV program, therefore, the PHA will partner with a Section 8 HCV agency to administer the TPVs. The HUD Chicago Field Office has approved Menard County Housing Authority as the PHA that will administer the TPVs. Relocation began March 2021 and fully completed as follows:

	Parkside Relocation	November 2022	September 2022	March 2021
		Households	Households	Households
	Successfully Completed Relocation w/ Voucher	16	16	
	Transfer to Development/AMP II (Voucher Forfeiture)	3	3	
	Abandoned/Moved Voucher Forfeiture	7	7	
	365 DAY HACF Temporary Transfer to AMP II	16	15	
	Total Participants	42	42	
	Total Residents	0	1	42

B.2 Cont. **Demolition and/or Disposition –AMP II**
Westview Homes are located at 626-650 N, Waddell Avenue in Freeport, IL. This summary focuses on 3 specific buildings totaling 18 units:

- 608 North Waddell, Units 1 and 6 (one bedrooms); Units 2-5 (3 bedrooms) = (6 units total)
- 616 North Waddell, Units 11 and 16 (one bedroom); Units 12-15 (3 bedrooms) = (6 Units total)
- 626 North Waddell, units 17 and 22 (one bedroom); Units 18-21 (3 bedrooms) = (6 units total)

Currently, there are 3 individuals/families residing within the complex.

The unit was Originally constructed in 1952, the property sits on approximately 5.9 acres of features and combined gross area of 15,982 square feet. Constructed using minimalistic design features, units and bathrooms are small compared to modern standards. The majority of the building components are original to the date of construction and have suffered accelerated deterioration due to deferred maintenance, water intrusion, and failing plumbing infrastructure.

In September 2020, HACF partnered with Tyson and Billy Architects to conduct a Physical Needs Assessment (PNA) investigation that provides the housing authority with an objective, independent and professional opinion of potential repairs, and deferred maintenance cost associated with the property. The assessment also included a physical conditions assessment PCA evaluation and rehabilitation construction cost estimation of the current physical conditions and future capital requirements for property. This included the overall conditions of the building components and systems and conditions that may limit the Expected Useful Life (EUL) of the property and systems. It also includes functional obsolesces, significant deficiencies, deferred maintenance items, and material code violations at the property.

The assessment is based on interviews with management and local agencies, a review of available documents, and a visual examination of the property. The physical examination included a review of the building, foundation, roofs, exterior/interior walls, mechanical systems, doors and windows, interior elements, and utilities.

Criteria for Obsolescence

The 3 buildings had very few modernizations or rehabilitations since constructed in 1952. For this reason, the structures have experienced accelerated aging due to water intrusion and deferred maintenance and have reached the end of its economic life requiring significant rehabilitation (e.g. repairs, reconstruction, additional or improvements of a building or structure, the cost which equals or exceeds 50 percent of the market value of the structure before the improvement or repair is started requires compliance with all current codes.) The following conditions are relative to functional obsolescence of these buildings:

1. Current water supply system is at the end of its life expectancy and is in poor physical condition with active leaks.
2. The sanitary waste lines are original cast iron piping and are in immediate need of replacement as the piping system is very near the end of its life expectancy and was reported and observed in poor physical condition with active leaks.
3. Surveyed units do not feature any compliant designated handicapped dwelling units.
4. Past modifications to the property have included minor mechanical and electrical upgrades, resulting in surface mounted electrical conduit for convenience outlets and exposed plumbing piping. Future modifications would require the same, whereby appropriate modern construction would include concealment of all exposed piping.
5. The dwelling units are undersized compared to current, modern day construction standards.
6. The electrical breaker panels are located within the kitchens and were observed with significant and are undersized with today's electrical requirements.
7. Rehabilitation of the structure would include environmental remediation requirements relative to hazardous building materials (asbestos containing materials).

Criteria for Cost Ineffectiveness

An analysis of the rehabilitation costs to correct deficiencies, damage, and aged systems within the circa 1952 structure determined that demolition is recommended. Note, the estimated construction costs do not include such things as site amenities for increased marketability. A comparison of the Total Development Cost (TDC) to the estimated 16-Division construction/rehabilitation cost resulted in a ratio of 66.15%. A detailed rehabilitation cost estimate representing the 3-year immediate needs of the property.

Topography and Foundation

The topography of the property is primarily flat. The site has been graded to provide as much positive drainage away from the structures as possible. However, the settlement of the buildings and the housing authority has made provisions with poured concrete around the foundations to eliminate water penetration. No ponding of water or ground water infiltration was observed or reported. The foundation construction of the apartment building consists of a reinforced concrete slab on grade with spread concrete footings, piers, and concrete masonry unit foundation walls. The ground floor of the building consists of reinforced slab on grade assemblies over granular fill, and no vapor barrier was observed. Evidence of structural distress was visible with uneven settling of walls and floor slabs and the repair cost included in the proposed rehabilitation cost estimate.

Building Frame, Building Envelope and Façade

The superstructure is load bearing wood frame construction with wood 2x floor joist and wood framed roof trusses. The property's superstructures appeared in generally fair to poor physical condition; uneven settling observed in walls and floor structure. Further evaluation by a licensed structural engineer is recommended.

Roofing

The pitched roofing materials consist of a three-tab asphalt shingles. The roofing is of an unknown age and was observed in generally poor physical condition. Replacement of the existing roofing with three-tab architectural asphalt shingles is recommended and has been included in the proposed rehabilitation cost estimate.

Plumbing, Supply and Waste Systems

Plumbing piping is in fair to poor physical condition with lines compromised by lime build up. Kitchen and bathrooms have experienced frequent plumbing leaks, sewer backups and water damage drywall surround the tubs and showers. Domestic hot water supply comes from gas fired water heaters without expansion tanks as compared to high efficiency domestic water heaters with expansion tanks.

Heating, Air Conditioning and Ventilation

The dwelling units are supplied heating via gas fired forced air furnaces and are in poor condition. Recommend replacing furnaces with high efficiency gas fired furnaces and has been included in the proposed rehabilitation cost estimate. The dwelling units are supplied cooling via individual window air conditioning placed within the vinyl window system. The air conditioner units are of varying ages are provided by the residents and often strain the electrical service. The units drain condensate water directly to the exterior building façade creating stains and further deteriorating the brick and mortar. Replacement of all air conditioning units with central air along with the new furnaces is recommended and has been included in the proposed rehabilitation cost estimate. The dwelling unit bathrooms feature exhaust vents that are vented to the exterior. The dwelling unit kitchens feature exhaust vents that are connected to roof-mounted exhaust fans. Replacement of the ceiling-mounted exhaust fans, and installation of exterior venting range hoods in the dwelling unit kitchens is recommended has been included in the proposed rehabilitation cost estimate along with corridor/building pressurization.

Electrical Systems

Significant rehabilitation is required to upgrade the electrical service and equipment within the subject buildings. Unit electrical panels are undersized.

Interior Dwelling

The interior walls of the dwelling units are in fair condition, the floor coverings are made of VAT flooring and in poor physical condition due to water damage and floor slab movement due to settling. Kitchen cabinetry consist of wood-framed base and suspended wall cabinets in which the majority are from the original date of construction. In addition to the cabinets, hardware and countertops are in poor physical condition.

Currently, the subject property does not feature any fully compliant handicapped accessible units. According to requirements of Section 504 of the Rehabilitation Act of 1973, 5 percent of dwelling units must be handicapped accessible and 2 percent of the units are required to have audio/visual smoke alarms.

Conclusion ~ Justification Criteria: Physical Condition (24 CFR 970.15(b)(1)(i) and (b)(2)).

Given the major issues and significantly poor condition of the subject 18 dwelling units, HACF will submit its Section 18 application to HUD's Special Application Center to remove the 3 buildings from its portfolio and plan redevelopment.

HUD's requirements related to demolition in accordance to justification criteria "Physical Condition" (24 CFR 970.15(b)(1)(i) and (b)(2)), PHAs must demonstrate substantial physical issues of the buildings/units (i.e., critical structural issues, deficiencies in major systems, deterioration due to prolonged deferred maintenance) that cannot be corrected in a cost-effective manner. In addition to the completed PNA and other supporting documentation. As Required by HUD, supporting the certification of physical obsolescence and cost-ineffectiveness, the PHA has a scope of work and cost-estimates prepared by Tyson and Billy Architects that includes:

- a. Estimates based on the standards outlined in the most recent International Building Code (IBC) and National Fire Protection Association (NFPA) 5000 standards. PHAs may include local code requirements (i.e., fire codes; requirements for natural disasters such as flooding or wildfires);
- b. Building systems (e.g., HVAC, plumbing, electric), external amenities (e.g., roofs, doors, windows), and internal amenities (e.g., kitchens, bathrooms, flooring) limited to those that address immediate capital needs for a maximum of three years. Replacement costs are restricted to the remaining useful life of an item for three years or less. Actual service life may depend on initial quality of the item, local environmental factors, use/abuse, and levels of routine maintenance. Age of an item alone is not evidence of need to repair or replace. Each item is individually estimated and may reference life cycle values per the R.S. Means Facilities Maintenance and Repair Cost Data book;
- c. Underground utilities (e.g., sewer, water, gas, electric), regardless of distances, provided the PHA owns the utility and evidences the need for replacement;
- d. Mitigation costs of asbestos, lead-based paint, or other environmental issues supported by reports submitted with the SAC application;
- e. Structural defects when supported by reports from a licensed professional engineer;
- f. Accessibility improvements for persons with mobility, vision, hearing or other impairments, provided improvements are consistent with standards, regulations, and other requirements under Section 504 of the Rehabilitation Act of 1973 (including the Uniform Federal Accessibility Standards (UFAS)), Fair Housing Act, Americans with Disabilities Act, other applicable federal authorities, state or local requirements that exceed federal baseline requirements, and accessibility requirements in remedial agreements or orders;
- g. Imminent health and/or safety issues even if such costs are otherwise not eligible provided the PHA provides supporting documentation from an independent party evidencing the occurrence and resulting health and/or safety risks.

HUD reserves the right to disallow items in a scope of work if HUD determines there are more cost-effective alternatives to address the rehabilitation or replacement needs. If PHAs complete major capital work after the scope of work is prepared, the PHA must include a description of that work in the SAC application. HUD generally does not allow the following costs to be included in a rehabilitation scope of work:

- a. Work associated with enhancements or improvements of working systems or fixtures at the project (including energy efficiency "green" improvements);
- b. Amenities not currently existing at the project (e.g., solar panels; tank-less water heaters; trash enclosures, washer/dryer hook-ups; garbage disposals; central air- conditioning; addition of new porches);
- c. Work items that address a project's needs beyond three years;
- d. Local code compliance if the building code requirements are otherwise not triggered by the rehabilitation/repair;
- e. Landscaping or other site work beyond five feet of the exterior walls of a building;
- f. Upgrading utility lines that are otherwise in working condition;
- g. Work items associated with site improvements and appurtenances (e.g., parking lots, security cameras, playgrounds, community centers), even if those site improvements or appurtenances exist and need of repairs; and
- h. Replacing PHA personal property (e.g., replacing appliances or other removable fixtures such as refrigerators, ovens, and window treatments).

The following generally applies to cost-estimates of the eligible scope of work items:

- a. Total development costs (TDC) comparisons per HUD-posted costs for the year the rehabilitation estimate is made. See 24 CFR 905.314.
- b. R.S. Means cost index, Marshall and Swift cost index, or other accurate and reliable cost-estimates (e.g., actual and competitive bids).
- c. Hard construction costs (HCC) as defined in 24 CFR part 905 (including existing items inside a building or within five feet of the exterior walls; and costs to repair landscaping damaged due to rehabilitation).

PHAs may not include additional costs attributable to inflation or "cost escalation." For example, if a PNA completed in 2017 indicates a roof replacement is necessary in 2019, the PHA must use current estimated costs without any escalation, cost adjustments or other means of adjusting for inflation for work projected to be undertaken/completed in 2019. Instead, the PHA uses 2017 cost-index information.

The following fees are maximum amounts for soft costs associated with public housing rehabilitation.⁸ PHAs may flexibly determine costs for each item provided the total cost does not exceed the maximum. Percentages are based on hard construction and will vary based on the project size:

- a. Construction contingency: 7.5 percent
- b. Architectural/Engineer's design and construction monitoring fees: 5.5 percent
- c. Profit and overhead fees for specialty sub-contractor (e.g. HVAC, Electric, Plumbing, Elevator): 10 percent
- d. General Condition fees (e.g. Permit, Insurance, Bonds): 5 percent
- e. PHA administrative costs: 2 percent

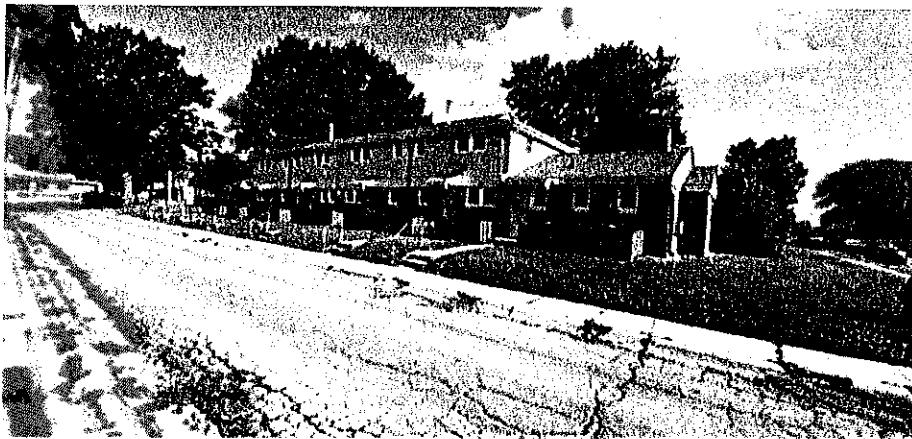
Photo Log



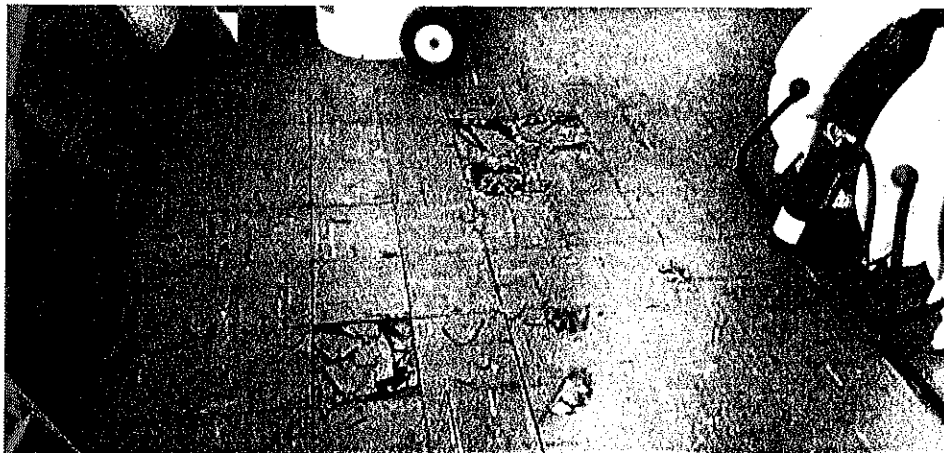
Building 1 Unit 3 South Elevation



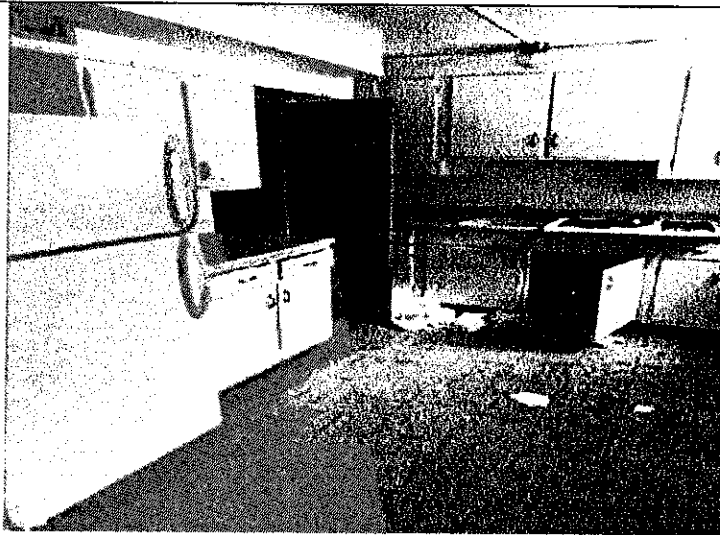
Building 2 South Elevation



Building 3 South and East Elevation



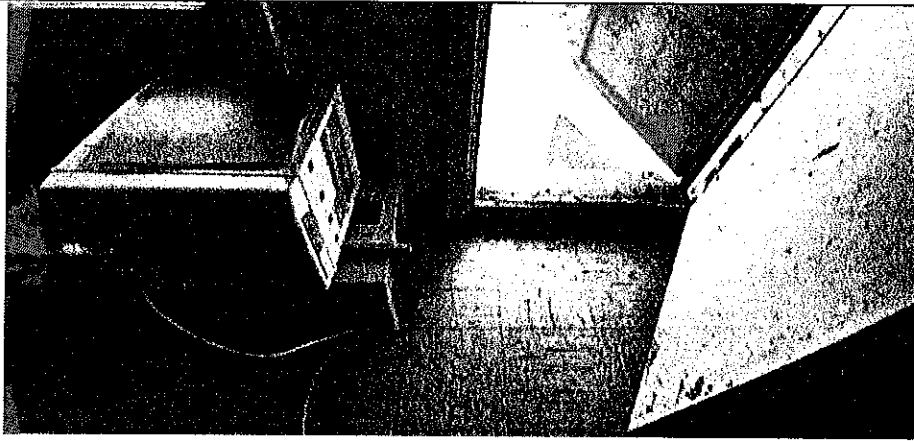
Unit 14 Living Room Floor Tile



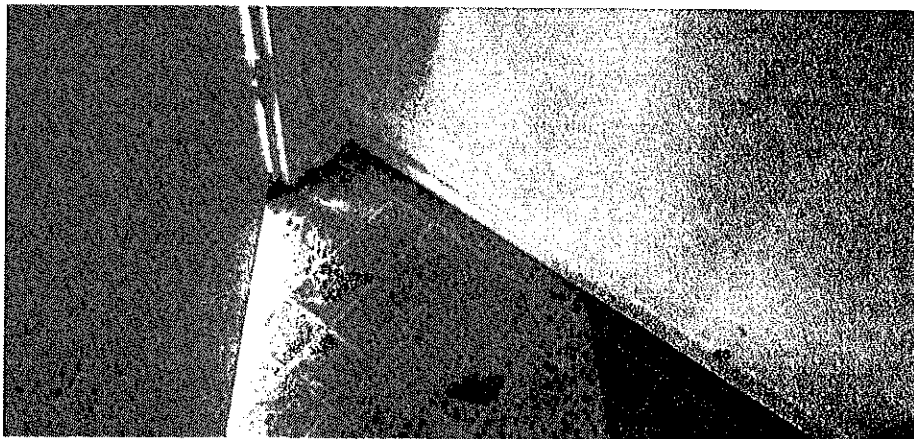
Unit 3 Kitchen



Unit 11 Kitchen Sink and Drywall Damage



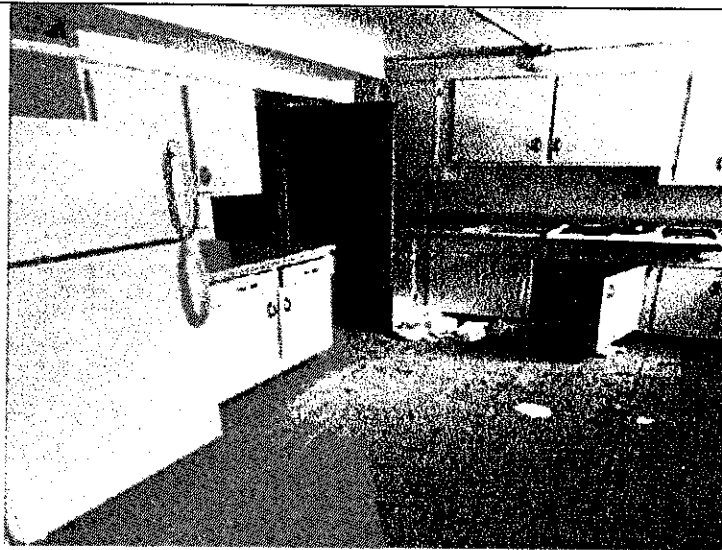
Unit 11 Floor Slab Sunk at Entrance



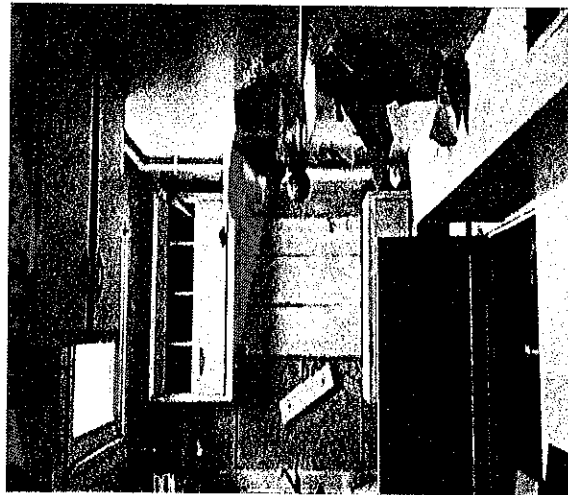
Unit 15 Sunken Floor Slab at Entrance



Unit 11 Kitchen



Unit 3 Kitchen



Unit 14 Kitchen

Demolition and/or Disposition –AMP II 2022 Update

On July 1, 2022, The Special Applications Center (SAC) of the U.S. Department of Housing and Urban Development (HUD) reviewed and approved the Housing Authority of the City of Freeport's (HACF) application for the demolition of 3 dwelling buildings containing 18 dwelling units (the property). This property was developed, acquired, or assisted by HACF with funds under the U.S. Housing Act of 1937 (the Act) and is under Parkside Westview Home, IL029000002, in HUD's Inventory Management System/Public and Indian Housing Information Center (IMS/PIC) system. HUD received this application as DDA0011333 on January 5, 2022, via the IMS/PIC system. In accordance with 24 CFR 970.9(a)(17), supplemental information was received through May 11, 2021.

The approved application is summarized below:

Parkside Westview Home, IL029000002						
Bedroom Size	0-BR	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	16	54	38	64	28	196
Approved Units	0	6	0	12	0	18
Number of Dwelling Buildings Existing						48
Number of Dwelling Buildings Approved						18
Number of Non-Dwelling Buildings Existing						4
Number of Non-Dwelling Units Proposed						0
Approved Building Number Per PIC:						
031, 033, 034						

The Total Development Cost (TDC) limit for the units proposed for demolition is calculated below. The Department used the TDC applicable at the time of submission of this demolition application.

TDC per Notice PIH-2021-07; Year: 2020 Type of Structure: Row Dwelling; Area: Rockford, IL			
Bedroom Size	Number of Unit	TDC/Unit	Total Cost
1-BR	6	\$221,148	\$1,326,888
3-BR	12	\$327,546	\$3,930,552
TOTAL	18		\$5,257,440

Relocation

When the application was originally submitted to the HUD, 3 units proposed for demolition were occupied. HACF certified that it would comply with all applicable relocation requirements of 24 CFR 970.21 and all applicable civil rights requirements by offering displaced residents the following forms of comparable housing: public housing units and housing choice vouchers. HACF estimated the relocation cost to be \$1,890, which includes moving expenses and counseling/advisory services. HACF indicated that it planned to use Capital Fund from FY2021 to cover relocation costs.

On the date of this approval, 3 units are occupied, and 1 unit was occupied within the previous 24 months. HACF does not intend to redevelop any public housing units at the property. Based on this, the HACF, through an agreement with a Voucher Agency, may be eligible for maximum TPVs

Type of TPVs	Relocation TPVs	Replacement TPVs
	0	4

Please see Attached Approval Letter

Dated July 1, 2022
Corrected, July 5, 2022

Update: Westview AMP II 2022 Rental Assistance Demonstration (RAD) for the conversion of assistance of 178 units to Project Based Rental Assistance

On July 15, 2022, HACF application under the Rental Assistance Demonstration (RAD) for the conversion of assistance of 178 units to Project Based Rental Assistance at the following PIC Development: IL029000002, WESTVIEW HOME was approved. The award serves as the HUD's Commitment to Enter into a Housing Assistance Payments (CHAP) for the project, provided the HACF meets all the requirements contained in the PIH Notice 2019-23, Revision 4 ("Notice") and all subsequent revisions. In addition, the HACF must comply with all "CHAP Milestones" identified in section 1.12 of the Notice as applicable.

As the award is a conditional commitment by HUD, HUD reserves the right to revoke or amend its commitment at any time prior to closing if HUD, in its sole judgment, determines that any of the following conditions are present:

- A. any of the contract units were not eligible for selection;
- B. the proposed conversion is not or will not be financially feasible;
- C. Owner fails to meet any applicable deadline;
- D. Owner fails to cooperate;
- E. there is any violation of program rules, including fraud; or
- F. the terms of the conversion would be inconsistent with fair housing and civil rights laws or a fair housing or civil rights court order, settlement agreement, or voluntary compliance agreement.

**IDENTIFICATION OF UNITS ("CONTRACT UNITS") BY SIZE AND
APPLICABLE CONTRACT RENTS**

The Contract Rents below for the subject project are based on Fiscal Year 2020 Federal Appropriations and assumptions regarding applicable rent caps. The final RAD contract rents, which will be reflected in the RAD HAP contract, will be based on Fiscal Year 2020 Federal Appropriations, as well as applicable program rent caps and Operating Cost Adjustment Factors (OCAFs), and, as such, may change. For PBV conversions, the Contract Administrator must ensure that the gross rents fall within PBV program rent caps regarding Fair Market Rents (FMRs) and reasonable rents. In addition, prior to conversion, the PHA must provide HUD updated utility allowances to be included in the HAP contract.

**Existing PIC Development Number: IL029000002
New Project Name (for tracking purposes only): WESTVIEW REDEVELOPMENT PROJECT**

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
12	0	\$503	\$79	\$582
48	1	\$568	\$79	\$647
38	2	\$726	\$90	\$816
52	3	\$960	\$101	\$1,061
24	4	\$1,226	\$111	\$1,337
4	5	\$1,409	\$118	\$1,527

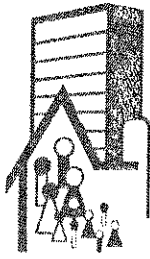
Please note that this rent schedule includes the 2021 and 2022 OCAF adjustments that the PHA is eligible for and will be confirmed during the Financing Plan review.

**See Attached
CHAP Award Letter Dated July 15, 2022**

B.3	Civil Rights Certification. Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan. http://echa-in.org/drupal/drupal-7.26/sites/default/files/2018%20Annual%20Plan%20Resubmission-final-April%2010%202018.pdf
B.4	Most Recent Fiscal Year Audit. (a) Were there any findings in the most recent FY Audit? Y N <input checked="" type="checkbox"/> <input type="checkbox"/> Tenant File Finding
B.5	Progress Report. Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.
B.6	Resident Advisory Board (RAB) Comments. (a) Did the RAB(s) provide comments to the PHA Plan? Y N <input type="checkbox"/> <input checked="" type="checkbox"/> (b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.
B.7	Certification by State or Local Officials. Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
B.8	Troubled PHA. (a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place? Y N N/A <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> (b) If yes, please describe: Recovery Plan covers the following areas: Recovery update. HACF has completed its recovery plan and have reached Standard PHAS scoring. The organization continues to follow established workplan goals under each subsystem areas (Governance, Physical, Management, Financial and Capital.
C.	Statement of Capital Improvements. Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).
C.1	Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD.

Appendix A

Approved 2021 PHA Annual Plan Significant Amendment/Modification Statement



Housing Authority of the City of Freeport

Approved 2021 PHA Annual Plan

Significant Amendment/Modification Statement

12/6/2021

2021 Capital Fund Emergency Safety and Security Grant

HUD statute, PIH Notice 99-51, requires that PHA's explain "Substantial Deviation" from the 5-Year Plan in their Annual Plans. The statute also provides that while PHA's may change or modify their plans or policies described in them, and significant amendment or modification to the plan would require PHA's to submit a revised PHA Plan that has met full public process requirements.

In addition to the criteria established by the PHA, a proposed demolition, disposition, homeownership, RAD conversion, Capital Fund Financing, development, or mixed finance proposal is considered by HUD to be significant amendment to the CFP 5-Year Action Plan based on the Capital Fund Final Rule.

The Housing Authority of the City of Freeport defines the following circumstances will constitute as a significant amendment/modification to this agency's PHA Plan:

- Changes made to the admissions, policies, organizations of the waiting list and/ or tenant payments.
- Additions of non-emergency work items (not included in the current Annual Statement of Five-Year Action Plan) or changes in the use of replacement reserve funds under the Capital Fund; and
- Any changes regarding demolition or disposition, designation, homeownerships programs or conversion activities.

2021 Capital Fund Emergency Safety and Security Grant

Video Surveillance Project

The HACF's AMP II, is made up of 196 apartments within 3 locations (Westview/Gilmore Apartments (116 units), Douglas Village (40 units) and Willow Apartments (40 units). Last year, the Freeport Police Department responded to 200 service calls Westview Apartments,

resulting in 21 arrests. During this same time frame, the Department responded to 87 service calls at Willow Apartments. The majority of all calls were related to gun shots fired, assault and battery and other domestic disturbances.

During the first 5 months of 2021, Freeport police department has already responded to 145 service calls within this AMP (105 calls from Westview/Gilmore and 40 calls from Willow Apartments.) Given the heightened criminal activity and community concerns, the HACF's approach to this serious public health issue will be improved safety and security through upgraded lighting, cameras, surveillance, and VSS storage.

This project includes but is not limited to the installation of a multi-community wireless security camera system with central monitoring located at the PHA's central office and observation available at all property management offices. The selected vendor shall provide all labor, materials, equipment, cabling, conduit, ancillary materials, appurtenances, and other details as required for a fully functional networked cameras and monitoring systems.

In addition to the cameras and equipment being in specified locations, staff will receive training on all system components and software in order to operate and maintain the system with efficacy. The new camera system will also interface with the Freeport Police Department.

The current system was installed 2009. Given the underground copper fiber optic lines and low - grade cameras, the system is outdated and not conducive to further upgrades.

After conducting a needs assessment, researched state of the art hardware specifications of the new system includes (but not limited to):

- Hand Built NVR - Dual Gigabit NIC - AMD Ryzen 9 / 12 Core/24 Thread Processor - 28TB Purple
- Storage Per NVR - 16 Gig RAM 3200MHZ - 8 Pipe CPU Cooler - 4 Fan Air Circulator - 4K 4 GIG Video Processor Card
- Megapixel (4K) HD Outdoor Day/Night Dome Dual Stream IP Camera - 20FPS @ 3840 x 2160 - IP66
- Weatherproof Ingress Protection - Flat Face Dual Optics Window To Eliminate "Ghosting" When Lens Accumulates Dirt
- Over Time - Single High Power Night Vision LED - 50 FT Night Illumination - 3D Digital Noise Reduction - Wide
- Dynamic Range - 2.8 mm Extra Wide Lens - 3 Axis - H.264/MJPEG - POE
- Balun With Surge Lightning Protection 10/700 us Pulses 2KV IEC61000-4-5 Standard - Electrostatic Discharge
- Protection Up to 6kV - Air Discharge Up to 8kv IEC61000-4-2 Standard - Wave Interference Rejection & Noise Filter
- Protection 0-6 Mhz With Extra Interference Rejection 60DB Required On Any Underground Cable Runs. No Camera
- Warranty Of Any Kind If These Are Not Used On Underground Cable Runs.

Appendix B

Mahoney, Silverman and Cross (Legal Counsel)

Review of HACF's Grievance Procedures and Applicable Authority

Review of HACF Grievance Procedure & Applicable Authority

Hannah R. Lamore

Mahoney, Silverman & Cross, LLC

Chapter 14

GRIEVANCES AND APPEALS

INTRODUCTION

This chapter discusses grievances and appeals pertaining to PHA actions or failures to act that adversely affect public housing applicants or residents. The policies are discussed in the following three parts:

Part I: Informal Hearings for Public Housing Applicants. This part outlines the requirements and procedures for informal hearings for public housing applicants.

Part II: Informal Hearings with Regard to Noncitizens. This part discusses informal hearings regarding citizenship status and where they differ from the requirements for general applicant and tenant grievances.

Part III: Grievance Procedures for Public Housing Residents. This part outlines the requirements and procedures for handling grievances for public housing residents.

Note that this chapter is not the PHA's grievance procedure. The grievance procedure is a document separate from the ACOP. This chapter of the ACOP provides the policies that drive the grievance procedure. A sample grievance procedure is provided as Exhibit 14-1. However, please note that the procedure provided is only a sample and is designed to match up with the default policies in the model ACOP. As such, the PHA would need to modify accordingly should any alternative policy decisions be adopted.

PART I: INFORMAL HEARINGS FOR PUBLIC HOUSING APPLICANTS

14-I.A. OVERVIEW

When the PHA makes a decision that has a negative impact on an applicant family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal hearing. HUD regulations do not provide a structure for or requirements regarding informal hearings for applicants (except with regard to citizenship status, to be covered in Part II). This part discusses the PHA policies necessary to respond to applicant appeals through the informal hearing process.

14-I.B. INFORMAL HEARING PROCESS [24 CFR 960.208(a) and PH Occ GB, p. 58]

Informal hearings are provided for public housing applicants. An applicant is someone who has applied for admission to the public housing program, but is not yet a tenant in the program. Informal hearings are intended to provide a means for an applicant to dispute a determination of ineligibility for admission to a project [24 CFR 960.208(a)]. Applicants to public housing are not entitled to the same hearing process afforded tenants under the PHA grievance procedures [24 CFR 966.53(a) and PH Occ GB, p. 58].

Informal hearings provide applicants the opportunity to review the reasons for denial of admission and to present evidence to refute the grounds for denial.

Use of Informal Hearing Process

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

HACF Policy

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

Notice of Denial [24 CFR 960.208(a)]

The PHA must give an applicant prompt notice of a decision denying eligibility for admission. The notice must contain a brief statement of the reasons for the PHA decision, and must also state that the applicant may request an informal hearing to dispute the decision. The notice must describe how to obtain the informal hearing.

When denying eligibility for admission, the PHA must provide the family a notice of VAWA rights (form HUD-5380) as well as the HUD VAWA self-certification form (form HUD-5382) in accordance with the Violence against Women Reauthorization Act of 2013, and as outlined in 16-VII.C. The notice and self-certification form must accompany the written notification of the denial of eligibility determination.

Prior to notification of denial based on information obtained from criminal or sex offender registration records, the family, in some cases, must be given the opportunity to dispute the information in those records which would be the basis of the denial. See Section 3-III.G for details concerning this requirement.

Scheduling an Informal HearingHACF Policy

A request for an informal hearing must be made in writing and delivered to the HACF either in person or by first class mail, by the close of the business day, no later than 5 business days from the date of the HACF's notification of denial of admission.

The HACF will schedule and send written notice of the informal hearing within 10 business days of the family's request.

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

The informal hearing will be conducted by a person other than the one who made or approved the decision under review.

The applicant will be provided an opportunity to present written or oral objections to the decision of the HACF.

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

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

HACF Policy

The HACF will notify the applicant of the HACF's final decision, including a brief statement of the reasons for the final decision.

In rendering a decision, the HACF will evaluate the following matters:

Whether or not the grounds for denial were stated factually in the notice

The validity of grounds for denial of admission. If the grounds for denial are not specified in the regulations or in HACF Policy, then the decision to deny assistance will be overturned. See Chapter 3 for a detailed discussion of the grounds for applicant denial.

The validity of the evidence. The HACF will evaluate whether the facts presented prove the grounds for denial of admission. If the facts prove that there are grounds for denial, and the denial is required by HUD, the HACF will uphold the decision to deny admission.

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

The HACF will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed, with return receipt requested, within 10 business days of the informal hearing, to the applicant and his or her representative, if any.

If the informal hearing decision overturns the denial, processing for admission will resume.

If the family fails to appear for their informal hearing, the denial of admission will stand and the family will be so notified.

Reasonable Accommodation for Persons with Disabilities [24 CFR 966.7]

Persons with disabilities may request reasonable accommodations to participate in the informal hearing process and the PHA must consider such accommodations. The PHA must also consider reasonable accommodation requests pertaining to the reasons for denial if related to the person's disability. See Chapter 2 for more detail pertaining to reasonable accommodation requests.

PART II: INFORMAL HEARINGS WITH REGARD TO NONCITIZENS

14-II.A. HEARING AND APPEAL PROVISIONS FOR NONCITIZENS [24 CFR 5.514]

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. These special hearings are referred to in the regulations as informal hearings, but the requirements for such hearings are different from the informal hearings used to deny applicants for reasons other than immigration status.

Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated or denied while the PHA hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or the PHA informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

Notice of Denial or Termination of Assistance [24 CFR 5.514(d)]

As discussed in Chapters 3 and 13, the notice of denial or termination of assistance for noncitizens must advise the family of any of the following that apply:

- That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for proration of assistance.
- In the case of a tenant, the criteria and procedures for obtaining relief under the provisions for preservation of families [24 CFR 5.514 and 5.518].
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the family has a right to request an informal hearing with the PHA either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

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

When the PHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the PHA must notify the family of the results of the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide the PHA with a copy of the written request for appeal and proof of mailing.

HACF Policy

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

The family must provide the HACF with a copy of the written request for appeal and proof of mailing within 10 business days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to the PHA, of its decision. When the USCIS notifies the PHA of the decision, the PHA must notify the family of its right to request an informal hearing.

HACF Policy

The HACF will send written notice to the family of its right to request an informal hearing within 10 business days of receiving notice of the USCIS decision regarding the family's immigration status.

Informal Hearing Procedures for Applicants [24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, an applicant family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of denial, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for applicant families are described below.

Informal Hearing Officer

The PHA must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision.

Evidence

The family must be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of the PHA pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

HACF Policy

The family will be allowed to copy any documents related to the hearing at no cost. The family must request discovery of PHA documents no later than 12:00 p.m. on the business day prior to the hearing.

The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family must also be provided the opportunity to refute evidence relied upon by the PHA, and to confront and cross-examine all witnesses on whose testimony or information the PHA relies.

Representation and Interpretive Services

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to request an interpreter. The PHA is obligated to provide a competent interpreter, free of charge, upon request. The family may also or instead provide its own interpreter, at the expense of the family.

Recording of the Hearing

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

HACF Policy

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

Hearing Decision

The PHA must provide the family with a written notice of the final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The notice must state the basis for the decision.

Retention of Documents [24 CFR 5.514(h)]

The PHA must retain for a minimum of 5 years the following documents that may have been submitted to the PHA by the family, or provided to the PHA as part of the USCIS appeal or the PHA informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

Informal Hearing Procedures for Residents [24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, a resident family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of termination, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for resident families whose tenancy is being terminated based on immigration status is the same as for any grievance under the grievance procedures for resident families found in Part III below.

PART III: GRIEVANCE PROCEDURES FOR PUBLIC HOUSING RESIDENTS

14-III.A. REQUIREMENTS [24 CFR 966.52]

PHAs must have a grievance procedure in place through which residents of public housing are provided an opportunity to grieve any PHA action or failure to act involving the lease or PHA policies which adversely affect their rights, duties, welfare, or status. The PHA must not only meet the minimal procedural due process requirements provided under the regulations, but must also meet any additional requirements imposed by local, state or federal law.

The PHA grievance procedure must be included in, or incorporated by reference in, the lease.

HACF Policy

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

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

HACF Policy

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

The PHA must furnish a copy of the grievance procedure to each tenant and to resident organizations.

14-III.B. DEFINITIONS [24 CFR 966.53; 24 CFR 966.51(a)(2)(i)]

There are several terms used by HUD with regard to public housing grievance procedures, which take on specific meanings different from their common usage. These terms are as follows:

- **Grievance** – any dispute which a tenant may have with respect to PHA action or failure to act in accordance with the individual tenant's lease or PHA regulations which adversely affect the individual tenant's rights, duties, welfare or status
- **Complainant** – any tenant whose grievance is presented to the PHA or at the project management office
- **Due Process Determination** – a determination by HUD that law of the jurisdiction requires that the tenant must be given the opportunity for a hearing in court which provides the basic elements of due process before eviction from the dwelling unit
- **Expedited Grievance** – a procedure established by the PHA for any grievance or termination that involves:
 - Any criminal activity that threatens the health, safety, or right to peaceful enjoyment or the PHA's public housing premises by other residents or employees of the PHA; or
 - Any drug-related criminal activity on or off the premises
- **Elements of Due Process** – an eviction action or a termination of tenancy in a state or local court in which the following procedural safeguards are required:
 - Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction
 - Right of the tenant to be represented by counsel
 - Opportunity for the tenant to refute the evidence presented by the PHA including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have
 - A decision on the merits
- **Hearing Officer** – an impartial person or selected by the PHA, other than the person who made or approved the decision under review, or a subordinate of that person. The individual or individuals do not need legal training.
- **Tenant** – the adult person (or persons) (other than a live-in aide)
 - Who resides in the unit, and who executed the lease with the PHA as lessee of the dwelling unit, or, if no such person now resides in the unit,
 - Who resides in the unit, and who is the remaining head of household of the tenant family residing in the dwelling unit
- **Resident Organization** – includes a resident management corporation

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

Grievances could potentially address most aspects of a PHA's operation. However, there are some situations for which the grievance procedure is not applicable.

The grievance procedure is applicable only to individual tenant issues relating to the PHA. It is not applicable to disputes between tenants not involving the PHA. Class grievances are not subject to the grievance procedure and the grievance procedure is not to be used as a forum for initiating or negotiating policy changes of the PHA.

If HUD has issued a due process determination, a PHA may exclude from the PHA grievance procedure any grievance concerning a termination of tenancy or eviction that involves:

- Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees of the PHA;
- Any violent or drug-related criminal activity on or off such premises; or
- Any criminal activity that resulted in felony conviction of a household member

In states without due process determinations, PHAs must grant opportunity for grievance hearings for all lease terminations, regardless of cause, with the following exception: PHAs may use expedited grievance procedures for the excluded categories listed above. These expedited grievance procedures are described in Section 14-III.E. below.

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

HACF Policy

The HACF is located in a HUD-declared due process state. Therefore, the HACF will not offer grievance hearings for lease terminations involving criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the PHA, for violent or drug-related criminal activity on or off the premises, or for any criminal activity that resulted in felony conviction of a household member.

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

14-III.D. INFORMAL SETTLEMENT OF GRIEVANCE [24 CFR 966.54]

HUD regulations state that any grievance must be personally presented, either orally or in writing, to the PHA office or to the office of the housing development in which the complainant resides so that the grievance may be discussed informally and settled without a hearing.

HACF Policy

The HACF will accept requests for an informal settlement of a grievance either orally or in writing, to the HACF office within 10 business days of the grievable event. Within 10 business days of receipt of the request the HACF will arrange a meeting with the tenant at a mutually agreeable time and confirm such meeting in writing to the tenant.

If a tenant fails to attend the scheduled meeting without prior notice, the HACF will reschedule the appointment only if the tenant can show good cause for failing to appear, or if it is needed as a reasonable accommodation for a person with disabilities.

Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

HUD regulations require that a summary of such discussion will be prepared within a reasonable time and one copy will be given to the tenant and one retained in the PHA's tenant file.

The summary must specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons therefore, and will specify the procedures by which a hearing may be obtained if the complainant is not satisfied.

HACF Policy

The HACF will prepare a summary of the informal settlement within five business days; one copy to be given to the tenant and one copy to be retained in the HACF's tenant file.

For PHAs who have the option to establish an expedited grievance procedure, and who exercise this option, the informal settlement of grievances is not applicable to those grievances for which the expedited grievance procedure applies.

14-III.E. PROCEDURES TO OBTAIN A HEARING

Requests for Hearing and Failure to Request

HACF Policy

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

If the complainant does not request a hearing, the PHA's disposition of the grievance under the informal settlement process will become final. However, failure to request a hearing does not constitute a waiver by the complainant of the right to contest the PHA's action in disposing of the complaint in an appropriate judicial proceeding.

Scheduling of Hearings [24 CFR 966.56(a)]

If the complainant has complied with all requirements for requesting a hearing as described above, a hearing must be scheduled by the hearing officer promptly for a time and place reasonably convenient to both the complainant and the PHA. A written notification specifying the time, place and the procedures governing the hearing must be delivered to the complainant and the appropriate PHA official.

HACF Policy

Within 10 business days of receiving a written request for a hearing, the hearing officer will schedule and send written notice of the hearing to both the complainant and the HACF.

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

HACF Policy

The tenant may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, the HACF may request documentation of the "good cause" prior to rescheduling the hearing.

Expedited Grievance Procedure [24 CFR 966.52(a)]

The PHA may establish an expedited grievance procedure for any grievance concerning a termination of tenancy or eviction that involves:

- Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees of the PHA;
- Any drug-related criminal activity on or near such premises; or
- Any criminal activity that resulted in felony conviction of a household member.

In such expedited grievances, the informal settlement of grievances as discussed in 14-III.D is not applicable.

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

HACF Policy

The HACF is in a due process state and will not offer expedited grievance procedures.

14-III.F. SELECTION OF HEARING OFFICER [24 CFR 966.53(e)]

The grievance hearing must be conducted by an impartial person or persons appointed by the PHA, other than the person who made or approved the PHA action under review, or a subordinate of such person. The PHA must describe their policies for selection of a hearing officer in their lease.

HACF Policy

HACF grievance hearings will be conducted by a single hearing officer or panel depending on the situation. The HACF has designated the following to serve as hearing officers:

Executive Director

Director of Operations

Executive Assistant

Current Commissioners

PHAs must describe their policies for selection of a hearing officer in their lease forms. Changes to the public housing lease are subject to a 30-day comment period [24 CFR 966.4].

14-III.G. PROCEDURES GOVERNING THE HEARING [24 CFR 966.56]

Rights of Complainant [24 CFR 966.56(b)]

The complainant will be afforded a fair hearing. This includes:

- The opportunity to examine before the grievance hearing any PHA documents, including records and regulations that are directly relevant to the hearing. The tenant must be allowed to copy any such document at the tenant's expense. If the PHA does not make the document available for examination upon request by the complainant, the PHA may not rely on such document at the grievance hearing.

HACF Policy

The HACF will compile a hearing packet, consisting of all document and written evidence the PHA will produce at the hearing. The PHA will retain a copy of the hearing packet and will send a copy to both the hearing officer and the tenant at least three (3) days before the scheduled hearing.

- The right to be represented by counsel or other person chosen to represent the tenant, and to have such person make statements on the tenant's behalf.

HACF Policy

Hearings may be attended by the following applicable persons:

A HACF representative(s) and any witnesses for the HACF

The tenant and any witnesses for the tenant

The tenant's counsel or other representative

Any other person approved by the HACF as a reasonable accommodation for a person with a disability

- The right to a private hearing unless the complainant requests a public hearing.
- The right to present evidence and arguments in support of the tenant's complaint, to controvert evidence relied on by the PHA or project management, and to confront and cross-examine all witnesses upon whose testimony or information the PHA or project management relies.
- A decision based solely and exclusively upon the facts presented at the hearing.

Failure to Appear [24 CFR 966.56(c)]

If the complainant or the PHA fails to appear at a scheduled hearing, the hearing officer may make a determination to postpone the hearing for no more than five business days or may make a determination that the party has waived his/her right to a hearing. Both the complainant and the PHA must be notified of the determination by the hearing officer: Provided, That a determination that the complainant has waived his/her right to a hearing will not constitute a waiver of any right the complainant may have to contest the PHA's disposition of the grievance in an appropriate judicial proceeding.

There may be times when a complainant does not appear due to unforeseen circumstances which are out of their control and are no fault of their own.

HACF Policy

If the tenant does not appear at the scheduled time of the hearing, the hearing officer will wait up to 30 minutes. If the tenant appears within 30 minutes of the scheduled time, the hearing will be held. If the tenant does not arrive within 30 minutes of the scheduled time, they will be considered to have failed to appear.

If the tenant fails to appear and was unable to reschedule the hearing in advance, the tenant must contact the HACF within 24 hours of the scheduled hearing date, excluding weekends and holidays. The hearing officer will reschedule the hearing only if the tenant can show good cause for the failure to appear, or it is needed as a reasonable accommodation for a person with disabilities.

"Good cause" is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family.

General Procedures [24 CFR 966.56(d), (e)]

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

The hearing is conducted informally by the hearing officer. The PHA and the tenant must be given the opportunity to present oral or documentary evidence pertinent to the facts and issues raised by the complaint, and to question any witnesses.

HACF Policy

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

Oral evidence: the testimony of witnesses

Documentary evidence: a writing which is relevant to the case, for example, a letter written to the HACF. Writings include all forms of recorded communication or representation, including letters, emails, words, pictures, sounds, videotapes or symbols or combinations thereof.

Demonstrative evidence: Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.

Real evidence: A tangible item relating directly to the case.

Hearsay Evidence is evidence of a statement that was made other than by a witness while testifying at the hearing and that is offered to prove the truth of the matter. Even though evidence, including hearsay, is generally admissible, hearsay evidence alone cannot be used as the sole basis for the hearing officer's decision.

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

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

The complainant or the PHA may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript [24 CFR 966.56(e)].

HACF Policy

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

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

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

The PHA must provide reasonable accommodation for persons with disabilities to participate in the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.

If the tenant is visually impaired, any notice to the tenant which is required in the grievance process must be in an accessible format.

See Chapter 2 for a thorough discussion of the PHA's responsibilities pertaining to reasonable accommodation.

Limited English Proficiency (24 CFR 966.56(g))

The PHA must comply with HUD's LEP Final Rule in providing language services throughout the grievance process.

14-III.H. DECISION OF THE HEARING OFFICER [24 CFR 966.57]

The hearing officer must issue a written decision, stating the reasons for the decision, within a reasonable time after the hearing. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing. A copy of the decision must be sent to the complainant and the PHA. The PHA must retain a copy of the decision in the tenant's folder. A log of all hearing officer decisions must also be maintained by the PHA and made available for inspection by a prospective complainant, his/her representative, or the hearing officer [24 CFR 966.57(a)].

HACF Policy

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

HACF Notice to the Family: The hearing officer will determine if the reasons for the HACF's decision are factually stated in the notice.

Discovery: The hearing officer will determine if the family was given the opportunity to examine any relevant documents in accordance with HACF policy.

HACF Evidence to Support the HACF Decision: The evidence consists of the facts presented. Evidence is not conclusion and it is not argument. The hearing officer will evaluate the facts to determine if they support the HACF's conclusion.

Validity of Grounds for Termination of Tenancy (when applicable): The hearing officer will determine if the termination of tenancy is for one of the grounds specified in the HUD regulations and HACF policies. If the grounds for termination are not specified in the regulations or in compliance with HACF policies, then the decision of the HACF will be overturned.

The hearing officer will issue a written decision to the family and the HACF no later than 10 business days after the hearing. The report will contain the following information:

Hearing information:

Name of the complainant

Date, time and place of the hearing

Name of the hearing officer

Name of the HACF representative(s)

Name of family representative (if any)

Names of witnesses (if any)

Background: A brief, impartial statement of the reason for the hearing and the date(s) on which the informal settlement was held, who held it, and a summary of the results of the informal settlement. Also includes the date the complainant requested the grievance hearing.

Summary of the Evidence: The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of his/her testimony and that are admitted into evidence.

Findings of Fact: The hearing officer will include all findings of fact, based on a preponderance of the evidence. *Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Conclusions: The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence. The conclusion will result in a determination of whether these facts uphold the HACF's decision.

Order: The hearing report will include a statement of whether the HACF's decision is upheld or overturned. If it is overturned, the hearing officer will instruct the HACF to change the decision in accordance with the hearing officer's determination. In the case of termination of tenancy, the hearing officer will instruct the HACF to restore the family's status.

Procedures for Further Hearing

HACF Policy

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of the HACF will take effect and another hearing will not be granted.

Final Decision [24 CFR 966.57(b)]

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

- The grievance does not concern PHA action or failure to act in accordance with or involving the complainant's lease on PHA policies which adversely affect the complainant's rights, duties, welfare, or status; or
- The decision of the hearing officer is contrary to federal, state, or local law, HUD regulations or requirements of the annual contributions contract between HUD and the PHA

HACF Policy

When the HACF considers the decision of the hearing officer to be invalid due to the reasons stated above, it will present the matter to the HACF Board of Commissioners within 10 business days of the date of the hearing officer's decision. The Board has 30 calendar days to consider the decision. If the Board decides to reverse the hearing officer's decision, it must notify the complainant within 10 business days of this decision.

A decision by the hearing officer or Board of Commissioners in favor of the PHA or which denies the relief requested by the complainant in whole or in part must not constitute a waiver of any rights, nor effect in any manner whatever, any rights the complainant may have to a subsequent trial or judicial review in court [24 CFR 966.57(c)].

EXHIBIT 14-1: HACF GRIEVANCE PROCEDURE

Note: The sample procedure provided below is a sample only and is designed to match up with the default policies in the model ACOP. If your PHA has made policy decisions that do not reflect the default policies in the ACOP, you would need to ensure that the procedure matches those policy decisions.

I. Definitions applicable to the grievance procedure [24 CFR 966.53]

- A. Grievance: Any dispute a tenant may have with respect to HACF action or failure to act in accordance with the individual tenant's lease or HACF regulations that adversely affects the individual tenant's rights, duties, welfare, or status.
- B. Complainant: Any tenant (as defined below) whose grievance is presented to the HACF or at the project management office in accordance with the requirements presented in this procedure.
- C. Elements of due process: An eviction action or a termination of tenancy in a state or local court in which the following procedural safeguards are required:
 - i. Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction
 - ii. Right of the tenant to be represented by counsel
 - iii. Opportunity for the tenant to refute the evidence presented by the HACF, including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense that the tenant may have
 - iv. A decision on the merits of the case
- D. Hearing officer: An impartial person or persons selected by the HACF other than the person who made or approved the decision under review, or a subordinate of that person. Such individuals do not need legal training.
- E. Tenant: The adult person (or persons other than a live-in aide) who resides in the unit and who executed the lease with the HACF as lessee of the dwelling unit, or if no such person now resides in the unit, who resides in the unit and who is the remaining head of the household of the tenant family residing in the dwelling unit.
- F. Resident organization: An organization of residents, which also may include a resident management corporation.

II. Applicability of this grievance procedure [24 CFR 966.51]

In accordance with the applicable federal regulations (24 CFR 966.50), this grievance procedure is applicable to all individual grievances (as defined in Section I above)

between the tenant and the HACF with the following exception of disputes between tenants not involving the HACF or class grievances. The grievance procedure is not intended as a forum for initiating or negotiating policy changes between a group or groups of tenants and the HACF's Board of Commissioners [24 CFR 966.51(b)].

This grievance procedure is incorporated by reference in all tenant dwelling leases and will be furnished to each tenant and all resident organizations [24 CFR 966.52 (b) and (d)].

Any changes proposed in this grievance procedure must provide for at least 30 days' notice to tenants and resident organizations, setting forth the proposed changes and providing an opportunity to present written comments. Comments will be considered by the HACF before any revisions are made to the grievance procedure [24 CFR 966.52(c)].

III. Informal settlement of a grievance [24 CFR 966.54]

Any grievance must be personally presented, either orally or in writing, to the HACF's central office or the management office of the development in which the complainant resides **within 10 days after the grievable event.**

Grievances related to complaints about operations matters that are received by the HACF's central office will be referred to the person responsible for the management of the development in which the complainant resides. Grievances involving complaints related to discrimination, harassment, or disability rights will be referred to the Civil Rights Administrator or Director of Operations.

As soon as the grievance is received, it will be reviewed by the management office of the development or the Civil Rights Administrator (if applicable) to be certain that neither of the exclusions in paragraphs II.A or II.B above applies to the grievance. Should one of the exclusions apply, the complainant will be notified in writing that the matter raised is not subject to the HACF's grievance procedure with the reason specified.

If neither of the exclusions cited above apply, the complainant will be contacted to arrange a mutually convenient time **within 10 business days** to meet so the grievance may be discussed informally and settled without a hearing. At the informal settlement, the complainant will present the grievance and the person in charge of the management office or the Civil Rights Administrator will attempt to settle the grievance to the satisfaction of both parties.

Within five business days following the informal discussion, the HACF will prepare and either hand deliver, mail, or email to the tenant a summary of the discussion that must specify the names of the participants, the dates of meeting, the nature of the proposed disposition of the complaint, and the specific reasons therefore, and will specify the procedures by which a formal hearing under this procedure may be obtained if the complainant is not satisfied. A copy of this summary will also be placed in the tenant's file.

IV. Formal grievance hearing

If the complainant is not satisfied with the settlement arrived at in the informal settlement, the complainant must submit a written request for a hearing to the management office of the development where the tenant resides **no later than five business days after the summary of the informal hearing is received.**

The written request must specify:

- The reasons for the grievance; and
- The action of relief sought from the HACF

Within 10 days of receiving the written request for a hearing, the hearing officer will schedule and sent written notice of hearing to both the complainant and the HACF.

V. Selecting the hearing officer

- A. A grievance hearing will be conducted by a single officer or panel, depending on the situation. The HACF has designated the following to service as hearing officers:

Executive Director

Director of Operations

Executive Assistant

Current Commissioners.

- B. The hearing officer will be a staff member who did not make or approve the decision under review and who is not a subordinate of such persons. If the designated staff member (such as the program manager) was involved in the decision or is a subordinate of such person, an alternate hearing officer will be selected.

- C. The HACF's method for selecting a hearing officer will be inserted into the lease.

VI. Scheduling hearings [24 CFR 966.56(a)]

When a complainant submits a timely request for a grievance hearing, the HACF will immediately appoint an impartial hearing office to schedule the hearing within the following 10 business days.

Once the hearing officer has scheduled the hearing, the hearing officer will send written notice of the hearing to both the complainant and the HACF. Notice to the complainant will be in writing, either personally delivered to the complainant, or sent by mail or email, return receipt requested.

The written notice will specify the time, place, and procedures governing the hearing.

The tenant may request to reschedule a hearing on a one-time basis. Should the complainant need to reschedule a second time, he or she may do so for good cause, or if

needed as a reasonable accommodation for a person with disabilities. *Good cause* is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date.

VII. Procedures governing the hearing [24 CFR 966.56]

The hearing will be held before a hearing officer as described above in Section V. The complainant will be afforded a fair hearing, which will include:

- A. The opportunity to examine before the hearing any HACF documents, including records and regulations, that are directly relevant to the hearing.

The tenant is allowed to copy any such document at the tenant's expense. If the HACF does not make the document available for examination upon request by the complainant, the HACF may not rely on such document at the grievance hearing.

- B. The right to be represented by counsel or other person chosen as the tenant's representative and to have such person make statements on the tenant's behalf.
- C. The right to a private hearing unless the complainant requests a public hearing.
- D. The right to present evidence and arguments in support of the tenant's complaint, to refute evidence relied on by the HACF or project management, and to confront and cross-examine all witnesses upon whose testimony or information the HACF or project management relies.
- E. A decision based solely and exclusively upon the facts presented at the hearing [24 CFR 966.56(b)].

The hearing is conducted informally by the hearing officer. The HACF and the tenant must be given the opportunity to present oral or documentary evidence pertinent to the facts and issues raised by the complaint, and to question any witnesses.

The complainant or the HACF may arrange in advance for a transcript of the hearing at the expense of the party making the arrangement. Any interested party may purchase a copy of the transcript [24 CFR 966.56(e)].

The HACF must provide reasonable accommodation for persons with disabilities to participate in the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants. If the tenant is visually impaired, any notice to the tenant that is required under this procedure must be in an accessible format [24 CFR 966.56(f)].

The HACF must comply with HUD's requirements regarding limited English proficiency as specified in "Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons," issued January 22, 2007, and available

at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/promoting/h/lep-faq.

VIII. Failure to appear at the hearing

If the complainant or HACF fails to appear at the hearing, the hearing officer may make a determination to postpone the hearing or make a determination that the complainant has waived his or her right to a hearing.

Both the complainant and the HACF must be notified of the determination by the hearing officer. A determination that the complainant has waived his or her right to a hearing will not constitute a waiver of any right the complainant may have to contest the HACF's disposition of the grievance in an appropriate judicial setting [24 CFR 966.56(c)].

IX. Decision of the hearing officer [24 CFR 966.57]

The hearing officer will prepare a written decision together with the reasons for the decision **within 10 business days** after the hearing. A copy of the decision will be sent to the complainant and the HACF.

The HACF will retain a copy of the decision in the tenant's file.

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date before reaching a decision. If the family misses a deadline ordered by the hearing officer, the hearing officer will make a decision based on the evidence presented.

The decision of the hearing officer will be binding on the HACF unless the HACF's Board of Commissioners determines within a reasonable time and notifies the complainant of its determination that:

- A. The grievance does not concern HACF action or failure to act in accordance with or involving the complainant's lease or HACF regulations, which adversely affect the complainant's rights, duties, welfare, or status; or
- B. The decision of the hearing officer is contrary to applicable federal, state, or local law, HUD regulations, or requirements of the annual contributions contract (ACC) between HUD and the HACF.

When the HACF considers the decision of the hearing officer to be invalid due to either of the reasons stated above, it will present the matter to the HACF Board of Commissioners within 10 business days of the date of the hearing officer's decision. The Board has 30 calendar days to consider the decision. If the Board decides to reverse the hearing officer's decision, it must notify the complainant within 10 business days of this decision.

A decision by the hearing officer or Board of Commissioners in favor of the HACF or which denies the relief requested by the complainant in whole or in part will not constitute a waiver of nor affect in any way the rights of the complainant to a trial or judicial review in any court proceedings, which may be brought in the matter later [24 CFR 966.57].

Code of Federal Regulations

Title 24. Housing and Urban Development

Subtitle B. Regulations Relating to Housing and Urban Development

Chapter IX. Office of Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development

Part 966. Public Housing Lease and Grievance Procedure

Subpart B. Grievance Procedures and Requirements

C.F.R. T. 24, Subt. B, Ch. IX, Pt. 966, Subpt. B, Refs & Annos
Currentness

Credits

Source: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984, unless otherwise noted.

Current through May 27, 2021; 86 FR 28500.

End of Document

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Code of Federal Regulations

Title 24. Housing and Urban Development

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Chapter IX. Office of Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development (Refs & Annos)

Part 966. Public Housing Lease and Grievance Procedure (Refs & Annos)

Subpart B. Grievance Procedures and Requirements (Refs & Annos)

24 C.F.R. § 966.50

§ 966.50 Purpose and scope.

Currentness

The purpose of this subpart is to set forth the requirements, standards and criteria for a grievance procedure to be established and implemented by public housing agencies (PHAs) to assure that a PHA tenant is afforded an opportunity for a hearing if the tenant disputes within a reasonable time any PHA action or failure to act involving the tenant's lease with the PHA or PHA regulations which adversely affect the individual tenant's rights, duties, welfare or status.

Credits

[56 FR 51579, Oct. 11, 1991]

SOURCE: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984; 53 FR 33304, Aug. 30, 1988; 53 FR 40221, Oct. 14, 1988; 53 FR 44876, Nov. 7, 1988; 54 FR 6886, Feb. 15, 1989; 56 FR 922, Jan. 9, 1991; 56 FR 51576, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28802, May 24, 2001, unless otherwise noted.

AUTHORITY: 42 U.S.C. 1437d and 3535(d).

Notes of Decisions (34)

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Chapter IX. Office of Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development (Refs & Annos)

Part 966. Public Housing Lease and Grievance Procedure (Refs & Annos)

Subpart B. Grievance Procedures and Requirements (Refs & Annos)

24 C.F.R. § 966.51

§ 966.51 Applicability.

Currentness

(a)(1) The PHA grievance procedure shall be applicable (except as provided in paragraph (a)(2) of this section) to all individual grievances as defined in § 966.53 of this subpart between the tenant and the PHA.

(2)(i) The term due process determination means a determination by HUD that law of the jurisdiction requires that the tenant must be given the opportunity for a hearing in court which provides the basic elements of due process (as defined in § 966.53(c)) before eviction from the dwelling unit. If HUD has issued a due process determination, a PHA may exclude from the PHA administrative grievance procedure under this subpart any grievance concerning a termination of tenancy or eviction that involves:

(A) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees of the PHA;

(B) Any violent or drug-related criminal activity on or off such premises; or

(C) Any criminal activity that resulted in felony conviction of a household member.

(ii) The issuance of a due process determination by HUD is not subject to 24 CFR part 10, and HUD is not required to use notice and comment rulemaking procedures in considering or issuing a due process determination.

(iii) For guidance of the public, HUD will publish in the Federal Register a notice listing the judicial eviction procedures for which HUD has issued a due process determination. HUD will make available for public inspection and copying a copy of the legal analysis on which the determinations are based.

(iv) If HUD has issued a due process determination, the PHA may evict the occupants of the dwelling unit through the judicial eviction procedures which are the subject of the determination. In this case, the PHA is not required to provide the opportunity for a hearing under the PHA's administrative grievance procedure.

(b) The PHA grievance procedure shall not be applicable to disputes between tenants not involving the PHA or to class grievances. The grievance procedure is not intended as a forum for initiating or negotiating policy changes between a group or groups of tenants and the PHA's Board of Commissioners.

Credits

[56 FR 51579, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28804, May 24, 2001]

SOURCE: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984; 53 FR 33304, Aug. 30, 1988; 53 FR 40221, Oct. 14, 1988; 53 FR 44876, Nov. 7, 1988; 54 FR 6886, Feb. 15, 1989; 56 FR 922, Jan. 9, 1991; 56 FR 51576, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28802, May 24, 2001, unless otherwise noted.

AUTHORITY: 42 U.S.C. 1437d and 3535(d).

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Subpart B. Grievance Procedures and Requirements (Refs & Annos)

24 C.F.R. § 966.52

§ 966.52 Requirements.

Effective: April 7, 2016

Currentness

(a) Each PHA shall adopt a grievance procedure affording each tenant an opportunity for a hearing on a grievance as defined in § 966.53 in accordance with the requirements, standards, and criteria contained in this subpart. A PHA may establish an expedited grievance procedure as defined in § 966.53.

(b) The PHA grievance procedure shall be included in, or incorporated by reference in, all tenant dwelling leases pursuant to subpart A of this part.

(c) The PHA shall provide at least 30 days notice to tenants and resident organizations setting forth proposed changes in the PHA grievance procedure, and providing an opportunity to present written comments. Subject to requirements of this subpart, comments submitted shall be considered by the PHA before adoption of any grievance procedure changes by the PHA.

(d) The PHA shall furnish a copy of the grievance procedure to each tenant and to resident organizations.

(e) The PHA must not only meet the minimal procedural due process requirements contained in this subpart but also satisfy any additional requirements required by local, state, or federal law.

Credits

[40 FR 33406, Aug. 7, 1975, as amended at 42 FR 5573, Jan. 28, 1977. Redesignated at 49 FR 6714, Feb. 23, 1984; 56 FR 51579, Oct. 11, 1991; 81 FR 12374, March 8, 2016]

SOURCE: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984; 53 FR 33304, Aug. 30, 1988; 53 FR 40221, Oct. 14, 1988; 53 FR 44876, Nov. 7, 1988; 54 FR 6886, Feb. 15, 1989; 56 FR 922, Jan. 9, 1991; 56 FR 51576, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28802, May 24, 2001, unless otherwise noted.

AUTHORITY: 42 U.S.C. 1437d and 3535(d).

Notes of Decisions (64)

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Subpart B. Grievance Procedures and Requirements (Refs & Annos)

24 C.F.R. § 966.53

§ 966.53 Definitions.

Effective: April 7, 2016

Currentness

For the purpose of this subpart, the following definitions are applicable:

(a) Grievance shall mean any dispute which a tenant may have with respect to PHA action or failure to act in accordance with the individual tenant's lease or PHA regulations which adversely affect the individual tenant's rights, duties, welfare or status.

(b) Complainant shall mean any tenant whose grievance is presented to the PHA or at the project management office.

(c) Elements of due process shall mean an eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:

(1) Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction;

(2) Right of the tenant to be represented by counsel;

(3) Opportunity for the tenant to refute the evidence presented by the PHA including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have;

(4) A decision on the merits.

(d) Expedited grievance means a procedure established by the PHA for any grievance concerning a termination of tenancy or eviction that involves:

(1) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the PHA's public housing premises by other residents or employees of the PHA; or

(2) Any drug-related or violent criminal activity on or off such premises.

(e) Hearing officer means an impartial person or persons selected by the PHA, other than the person who made or approved the decision under review, or a subordinate of that person. Such individual or individuals do not need legal training. PHAs must describe their policies for selection of a hearing officer in their lease forms as required by § 966.4, changes to which are subject to a 30-day comment period as described in § 966.3.

(f) Tenant shall mean the adult person (or persons) (other than a live-in aide):

(1) Who resides in the unit, and who executed the lease with the PHA as lessee of the dwelling unit, or, if no such person now resides in the unit,

(2) Who resides in the unit, and who is the remaining head of household of the tenant family residing in the dwelling unit.

(g) Resident organization includes a resident management corporation.

Credits

[56 FR 51579, Oct. 11, 1991; 81 FR 12374, March 8, 2016]

SOURCE: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984; 53 FR 33304, Aug. 30, 1988; 53 FR 40221, Oct. 14, 1988; 53 FR 44876, Nov. 7, 1988; 54 FR 6886, Feb. 15, 1989; 56 FR 922, Jan. 9, 1991; 56 FR 51576, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28802, May 24, 2001, unless otherwise noted.

AUTHORITY: 42 U.S.C. 1437d and 3535(d).

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24 C.F.R. § 966.54

§ 966.54 Informal settlement of grievance.

Effective: April 7, 2016

Currentness

Any grievance shall be personally presented, either orally or in writing, to the PHA office or to the office of the project in which the complainant resides so that the grievance may be discussed informally and settled without a hearing. A summary of such discussion shall be prepared within a reasonable time and one copy shall be given to the tenant and one retained in the PHA's tenant file. The summary shall specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons therefor, and shall specify the procedures by which a hearing may be obtained if the complainant is not satisfied.

Credits

[81 FR 12374, March 8, 2016]

SOURCE: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984; 53 FR 33304, Aug. 30, 1988; 53 FR 40221, Oct. 14, 1988; 53 FR 44876, Nov. 7, 1988; 54 FR 6886, Feb. 15, 1989; 56 FR 922, Jan. 9, 1991; 56 FR 51576, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28802, May 24, 2001, unless otherwise noted.

AUTHORITY: 42 U.S.C. 1437d and 3535(d).

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Subpart B. Grievance Procedures and Requirements (Refs & Annos)

24 C.F.R. § 966.55

§ 966.55 [Reserved by 81 FR 12374]

Effective: April 7, 2016

Currentness

Credits

[81 FR 12374, March 8, 2016]

SOURCE: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984; 53 FR 33304, Aug. 30, 1988; 53 FR 40221, Oct. 14, 1988; 53 FR 44876, Nov. 7, 1988; 54 FR 6886, Feb. 15, 1989; 56 FR 922, Jan. 9, 1991; 56 FR 51576, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28802, May 24, 2001, unless otherwise noted.

AUTHORITY: 42 U.S.C. 1437d and 3535(d).

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24 C.F.R. § 966.56

§ 966.56 Procedures governing the hearing.

Effective: April 7, 2016

Currentness

(a) The hearing must be scheduled promptly for a time and place reasonably convenient to both the complainant and the PHA and held before a hearing officer. A written notification specifying the time, place, and the procedures governing the hearing must be delivered to the complainant and the appropriate official.

(b) The complainant shall be afforded a fair hearing, which shall include:

(1) The opportunity to examine before the grievance hearing any PHA documents, including records and regulations, that are directly relevant to the hearing. (For a grievance hearing concerning a termination of tenancy or eviction, see also § 966.4(m).) The tenant shall be allowed to copy any such document at the tenant's expense. If the PHA does not make the document available for examination upon request by the complainant, the PHA may not rely on such document at the grievance hearing.

(2) The right to be represented by counsel or other person chosen as the tenant's representative and to have such person make statements on the tenant's behalf;

(3) The right to a private hearing unless the complainant requests a public hearing;

(4) The right to present evidence and arguments in support of the tenant's complaint, to controvert evidence relied on by the PHA or project management, and to confront and cross-examine all witnesses upon whose testimony or information the PHA or project management relies; and

(5) A decision based solely and exclusively upon the facts presented at the hearing.

(c) If the complainant or the PHA fails to appear at a scheduled hearing, the hearing officer may make a determination to postpone the hearing for no more than 5 business days or may make a determination that the party has waived his right to a hearing. Both the complainant and the PHA must be notified of the determination by the hearing officer. A determination that

the complainant has waived the complainant's right to a hearing will not constitute a waiver of any right the complainant may have to contest the PHA's disposition of the grievance in an appropriate judicial proceeding.

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

(e) The complainant or the PHA may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.

(f) Accommodation of persons with disabilities.

(1) The PHA must provide reasonable accommodation for persons with disabilities to participate in the hearing.

Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.

(2) If the tenant is visually impaired, any notice to the tenant which is required under this subpart must be in an accessible format.

(g) Limited English Proficiency. PHAs must comply with HUD's "Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons" issued on January 22, 2007 and available at http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/promotingfh/lep-faq.

Credits

[56 FR 51580, Oct. 11, 1991; 81 FR 12374, March 8, 2016]

SOURCE: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984; 53 FR 33304, Aug. 30, 1988; 53 FR 40221, Oct. 14, 1988; 53 FR 44876, Nov. 7, 1988; 54 FR 6886, Feb. 15, 1989; 56 FR 922, Jan. 9, 1991; 56 FR 51576, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28802, May 24, 2001, unless otherwise noted.

AUTHORITY: 42 U.S.C. 1437d and 3535(d).

Notes of Decisions (82)

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24 C.F.R. § 966.58

§ 966.58 [Reserved]

Currentness

Credits

[56 FR 51580, Oct. 11, 1991]

SOURCE: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984; 53 FR 33304, Aug. 30, 1988; 53 FR 40221, Oct. 14, 1988; 53 FR 44876, Nov. 7, 1988; 54 FR 6886, Feb. 15, 1989; 56 FR 922, Jan. 9, 1991; 56 FR 51576, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28802, May 24, 2001, unless otherwise noted.

AUTHORITY: 42 U.S.C. 1437d and 3535(d).

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Subpart B. Grievance Procedures and Requirements (Refs & Annos)

24 C.F.R. § 966.59

§ 966.59 [Reserved]

Currentness

Credits

[56 FR 51580, Oct. 11, 1991]

SOURCE: 40 FR 33406, Aug. 7, 1975; 49 FR 6714, Feb. 23, 1984; 53 FR 33304, Aug. 30, 1988; 53 FR 40221, Oct. 14, 1988; 53 FR 44876, Nov. 7, 1988; 54 FR 6886, Feb. 15, 1989; 56 FR 922, Jan. 9, 1991; 56 FR 51576, Oct. 11, 1991; 61 FR 13273, March 26, 1996; 66 FR 28802, May 24, 2001, unless otherwise noted.

AUTHORITY: 42 U.S.C. 1437d and 3535(d).

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Grievance Procedures

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The Coronavirus Aid, Relief and Economic Security (CARES) Act (Public Law 116-136) provides the US Department of Housing and Urban Development (HUD) with broad authority to waive or establish alternative requirements for numerous statutory and regulatory requirements for the Public Housing program. Through Public and Indian Housing (PIH) Notices, HUD established temporary waivers and alternative requirements to be used at the discretion of the PHA and which may provide for flexibilities from some of the statutory and regulatory requirements described in this document. HUD strongly encourages PHAs to utilize any and all waivers and alternative requirements as necessary to keep Public Housing programs operational to the extent practicable during the COVID-19 pandemic.

Please visit https://www.hud.gov/coronavirus/public_housing_agencies for the latest COVID-19-related resources, including relevant PIH Notices.

1 Chapter Overview

This chapter outlines the U.S. Department of Housing and Urban Development's (HUD) requirements for Public Housing Agencies (PHAs) in establishing and implementing grievance procedures, under 24 CFR part 966. Specifically, this chapter provides guidance on the elements of the grievance process and the PHA's grievance procedure. The grievance procedure is an administrative remedy, prescribed by HUD to PHAs, to ensure adequate due process regarding adverse actions against public housing tenants.¹

2 General Requirements

PHAs must have a grievance procedure that meets HUD's regulatory requirements in addition to any other requirements by local, State or Federal law.² The grievance procedure must either be included or incorporated by reference in the PHA's lease and a copy of the procedure provided to each tenant and resident organization.³ If a PHA desires to change its grievance procedure, at least 30 days' notice of the proposed changes and an opportunity to present written comments must be provided to tenants and resident organizations. PHAs must consider all submitted comments prior to adopting any changes to the grievance procedure.⁴

3 Applicability and Due Process Determinations

The grievance procedure is applicable to disputes a tenant may have with respect to a PHA's action or failure to act in accordance with the individual tenant's lease or the PHA's regulations which adversely affect the individual tenant's rights, duties, welfare, or status ("grievances").⁵ The grievance procedure is not applicable to disputes between tenants not involving the PHA or to class grievances. Additionally, the grievance procedure established by PHAs is not to be used by a group or groups of tenants as a forum for initiating or negotiating PHA policy changes.⁶

As it relates to terminations and evictions, HUD may make a due process determination that the law of the jurisdiction requires that the tenant must be given the opportunity for a hearing in court that provides the basic elements of due process before eviction. A judicial eviction or lease termination in a State or local court includes the elements of due process if the following procedural safeguards are required:

¹ On March 8, 2016, HUD published its "Streamlining Administrative Regulations for Public Housing, Housing Choice Voucher, Multifamily Housing, and Community Planning and Development Programs," also known as the "streamlining rule." This rule eliminates many prescriptive requirements related to the process for obtaining a hearing and the procedures governing the hearing, and permits PHAs to establish local requirements regarding the process for obtaining a grievance hearing. However, this rule does not prevent a PHA from maintaining the current procedures in place immediately before this final rule. See Notice PIH 2016-05, *Streamlining Administrative Regulations for Programs Administered by Public Housing Agencies* for implementation guidance.

² 42 U.S.C. 1437d(k); 24 CFR § 5.105; 24 CFR part 966

³ 24 CFR § 966.52(b) and (d)

⁴ 24 CFR § 966.52(c)

⁵ 24 CFR §§ 966.50, 966.53(a)

⁶ 24 CFR § 966.51(b); The PHA Plan process is the appropriate forum for making policy recommendations, see 24 CFR §§ 903.13 and 903.17

- Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction;
- Right of the tenant to be represented by counsel;
- Opportunity for the tenant to refute the evidence presented by the PHA, including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense that the tenant may have; and
- A decision on the merits.⁷

If HUD has issued a due process determination and a PHA is terminating the lease through judicial eviction procedures, the PHA is not required to provide the opportunity for a hearing under the PHA's grievance procedure. Additionally, if HUD has issued a due process determination, a PHA may exclude the following three types of terminations or evictions from its grievance procedure:

- Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the PHA;
- Any violent or drug-related criminal activity on or off such premises; and
- Any criminal activity that resulted in felony conviction of a household member.⁸

HUD recommends that the PHA's grievance procedure contain a statement of applicability which describes the situations in which the grievance procedure is and is not applicable. PHAs may contact counsel in their local HUD office to find out whether HUD has issued a due process determination for their state.

4 Initiating a Grievance and Informal Settlement

Grievances originate with a tenant, who must present the grievance either orally or in writing to the PHA office or to the office of the development in which the tenant lives. A PHA cannot require that a tenant present a grievance in writing.⁹ To present a grievance, an individual must be a tenant, defined as the adult person(s) (other than a live-in aide) who resides in the unit and executed the lease as the lessee or, where there is no such person, who resides in the unit or resides in the unit and is the remaining head of household.¹⁰ Tenants who have presented a grievance are referred to as complainants.¹¹ HUD recommends, but does not require, that the grievance procedure state the addresses of the PHA office and location where grievances will be accepted, and state a reasonable length of time for how long after the adverse action the tenant has to file the grievance, for example, 10 working days.

The PHA's first step in the grievance procedure is to attempt an informal settlement with the complainant except in limited circumstances described below.¹² HUD does not prescribe a specific format for the informal settlement process. However, at the informal stage, the grievance typically is first reviewed to ensure that the grievance is a type of dispute that can be appropriately addressed through the grievance process. If the type of dispute is appropriate, the grievance may be referred to the department or office responsible for the matter being grieved. The complainant typically is then contacted by a representative of that department or office,

⁷ 24 CFR § 966.53

⁸ 24 CFR § 966.51(a)(2)(i)

⁹ 24 CFR § 966.54

¹⁰ 24 CFR § 966.53(f); 966.54; An individual appointed power of attorney for a tenant or a legal guardian with legal authority to act for the tenant also may present a grievance.

¹¹ 24 CFR § 966.53(b)

¹² 24 CFR § 966.54

and an informal discussion arranged at a mutually agreeable time. Complainants may attend with their own representative at their discretion. Some PHAs have separate methods for handling informal discussions on allegations of discrimination or harassment that differ from those for disputes about PHA operations. PHAs are reminded that allegations of discrimination or harassment may involve violations of and be the subject of complaints pursuant to the Fair Housing Act or other civil rights laws.¹³

The PHA must prepare a summary of the informal discussion within a reasonable time following the discussion. A copy must be provided to the tenant and another copy retained in the tenant's file. The discussion summary must include:

- The name of each participant;
- The date(s) of the meeting(s);
- The nature of and specific reasons for the proposed disposition of the complaint; and
- The procedures by which a complainant may obtain a grievance hearing if they are not satisfied with the outcome of the informal discussion.¹⁴

The utilization of the informal discussion process is beneficial as it may often help to eliminate the time and expense associated with a hearing. For example, a tenant may grieve an excess utility consumption surcharge for which the tenant could be granted relief if the tenant meets certain criteria as described in the applicable notice given by the PHA.¹⁵ The informal discussion could allow the PHA to clarify the applicable criteria and for the tenant to demonstrate eligibility for individual relief from the surcharge avoiding the need for a hearing. As another example, PHAs can avoid the cost of eviction proceedings if the tenant agrees to vacate the unit during the informal grievance discussions. If an eviction is required, sometimes tenants agree to voluntarily vacate a unit to avoid having an eviction on their record. However, if the tenant agrees yet fails to vacate, the PHA must continue with the grievance hearing and eviction process. The tenant must be informed of this process in accordance with grievance hearing requirements.¹⁶

PHAs may establish an expedited grievance procedure in the following circumstances, bypassing the requirement for informal settlement:

- Terminations or evictions that involve any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the PHA's public housing premises by other residents or PHA employees; or
- Terminations or evictions that involve any drug-related or violent criminal activity on or off such premises.¹⁷

¹³ See, e.g., 24 CFR Part 1 (Title VI of the Civil Rights Act), Part 8 (Section 504 of the Rehabilitation Act of 1973), and Part 100 (Fair Housing Act). For guidance about preventing and addressing harassment allegations under the Fair Housing Act, go to [HUDexchange.info/](https://www.hudexchange.info/) at <https://www.hudexchange.info/trainings/preventing-harassment/>. See also, "Quid Pro Quo and Hostile Environment Harassment and Liability for Discriminatory Housing Practices Under the Fair Housing Act" ("Harassment Rule"), 81 Fed Reg. 63054 (Sep. 14, 2016)

¹⁴ 24 CFR § 966.54

¹⁵ See 24 CFR § 965.508

¹⁶ 24 CFR §§ 966.4(l)(3)(iv) and (n); 24 CFR 966.52(e)

¹⁷ 24 CFR § 966.53(d)

5 Grievance Hearing Procedures

Grievance hearings must be held before a hearing officer.¹⁸ The hearing officer may be an individual or a panel consisting of more than one person. The hearing officer must be impartial and must not be the person or subordinate of the person who made or approved the decision under review. HUD does not require hearing officers to have legal training. The PHA's policies for selecting hearing officers must be included in the lease forms and any changes to the policy are subject to a 30-day comment period.¹⁹

Grievance hearings also must be scheduled promptly for a time and place reasonably convenient to both the complainant and the PHA.²⁰ Although HUD does not prescribe a process for determining a specific date and place for a grievance hearing, upon receiving a request for a hearing, some PHAs ask that the complainant propose several dates and times when they would be available to attend a grievance hearing. The PHAs may choose then to compare their hearing officer's schedules and follow up with the complainant to choose a reasonably convenient time for the tenant and the PHA. Once a date and time are determined, a written notice specifying the time, place, and the procedures governing the hearing must be delivered to the complainant and the appropriate official.²¹

If the complainant or the PHA fails to appear at the scheduled hearing, the hearing officer may postpone the hearing for up to 5 business days or may decide that the absent party has waived their right to a grievance hearing. However, the complainant maintains the right to challenge the PHA's disposition of the grievance in an appropriate judicial proceeding. Both the complainant and PHA must be notified of the hearing officer's determination.²²

Prior to the hearing, either the complainant or PHA may arrange for a transcript of the hearing to be made. The cost of the transcript will be paid by the party requesting the transcript. Any interested party may purchase a copy of the transcript.²³

At the hearing, the complainant must first demonstrate that they are entitled to the relief sought.²⁴ Next, the PHA has the burden of justifying its action or failure to act on the aggrieved matter.²⁵ The hearing officer has discretion as to how to conduct the hearing within HUD's requirements; for example, the hearing officer determines whether to grant a continuance of the proceedings if requested by one of the parties. The complainant must be afforded a fair hearing, which includes the following elements:

- **Opportunity to examine and copy documents**

Prior to the hearing, complainants must be provided an opportunity to examine any PHA documents, including records and regulations, that are directly relevant to the hearing. Complainants must be allowed to copy any such documents at the complainant's expense.²⁶

¹⁸ 24 CFR § 966.56(a)

¹⁹ 24 CFR § 966.53(e)

²⁰ 24 CFR § 966.56(a)

²¹ 24 CFR § 966.56(a)

²² 24 CFR § 966.56(c)

²³ 24 CFR § 966.56(e)

²⁴ 24 CFR § 966.56(d)

²⁵ 24 CFR § 966.56(d)

²⁶ 24 CFR § 966.56(b)(1); With respect to an adverse action based upon a criminal record, the PHA must provide the tenant and the subject of the record with a copy at no cost. See 24 CFR § 966.4(l)(5)(v). See also PIH Notice 2015-19, "Guidance for Public Housing Agencies (PHAs) and Owners of Federally-Assisted Housing on Excluding the Use of Arrest Records in Housing Decisions."

If the PHA does not make the documents available for examination upon request by the complainant, the PHA cannot use the documents at the grievance hearing.²⁷ Additionally, in the case of an eviction, the PHA cannot proceed with the eviction if the PHA does not make documents available for review upon the tenant's request.²⁸

- **Right to be represented**
Complainants have the right to be represented by counsel or another person chosen as their representative and to have that person make statements on their behalf.²⁹
- **Right to a private hearing**
Complainants have the right to a private hearing, unless they request a public hearing.³⁰
- **Right to support complaint**
Complainants have the right to present evidence and arguments in support of their complaint, to refute evidence relied on by the PHA or project management, and to confront and cross-examine all witnesses relied upon by the PHA.³¹
- **Decision based on facts**
The decision must be based solely and exclusively upon the facts presented at the hearing.³²

6 Grievance Hearing Decisions

The hearing officer must prepare a written decision within a reasonable time following the hearing. The decision must state the reason(s) for the decision.³³ Although HUD does not prescribe the content that must be included in a written decision, common content for a written decision may include, but is not limited to:

- The names of the complainant, hearing officer, other participants, including complainant's counsel or representative, and witnesses;
- The date, time and location of the hearing;
- A summary of the grievance;
- The date on which the informal settlement discussion was held, who was present, and a summary of the results of the informal discussion (preferably quoting the informal settlement summary letter);
- A summary of the evidence, argument and testimony presented at the hearing; and
- The reason(s) for the hearing decision, citing the policy or regulation that supports the decision made.

A copy of the decision must be sent to the complainant and a copy must be placed in the complainant's tenant file.³⁴ The PHA must maintain a log of all hearing officer decisions and make the log available upon

²⁷ 24 CFR § 966.56(b)(1)

²⁸ 24 CFR § 966.4(m)

²⁹ 24 CFR § 966.56(b)(2)

³⁰ 24 CFR § 966.56(b)(3)

³¹ 24 CFR § 966.56(b)(4)

³² 24 CFR § 966.56(b)(5)

³³ 24 CFR § 966.57(a)

³⁴ 24 CFR § 966.57(a)

request to prospective complainants, prospective complainants' representatives, or hearing officers.³⁵ At a minimum, the log must include the date of the hearing decision, the general reason for the grievance hearing (failure to pay rent, community service and self-sufficiency noncompliance, etc.) and whether the decision was in the favor of the complainant or the PHA.³⁶

The hearing officer's decision is binding on the PHA, meaning the PHA must take the action or refrain from taking the action, as cited in the decision, *unless* the PHA's Board of Commissioners determines that:

- The grievance does not concern the PHA's action or failure to act in accordance with or involving the complainant's lease or the PHA's regulations, which adversely affect the complainant's rights, duties, welfare, or status; or
- The decision of the hearing officer is contrary to Federal, State, or local law, HUD regulations, or requirements of the annual contributions contract between HUD and the PHA.³⁷

A decision by the hearing officer or panel or Board of Commissioners that is in favor of the PHA's action or failure to act, or a decision that denies the relief requested in whole or in part, does not waive the complainant's rights to a subsequent trial or judicial review.³⁸

7 Accessibility, Effective Communication, and Limited English Proficiency Requirements

PHAs must provide reasonable accommodations for persons with disabilities throughout the grievance process.³⁹ This requirement includes, but is not limited to, providing reasonable accommodation for persons with disabilities to participate in the hearing, to engage in the informal settlement process, to provide additional time, etc. Reasonable accommodations may include, for example, qualified sign language interpreters, readers, accessible locations, or attendants.⁴⁰

All notifications and communications must ensure effective communication for persons with disabilities. PHAs must provide appropriate auxiliary aids and services necessary to ensure effective communication, which includes ensuring that information is provided in appropriate accessible formats as needed, e.g., Braille, audio, large-print, optical readers on computers available for viewing, assistive listening device systems, and sign language interpreters.⁴¹ There may be other effective methods of making aurally delivered information available to individuals who are deaf or hard of hearing, or other effective methods of making visually delivered materials available to individuals who are blind or have low vision. PHAs must provide, at their expense, auxiliary aids and services for effective communication with complainants during the grievance process. An individual with a disability may request a specific type of auxiliary aid or service as his or her preferred method of communication.⁴²

³⁵ 24 CFR § 966.57(a)

³⁶ Notice PIH 2016-05, *Streamlining Administrative Regulations for Programs Administered by Public Housing Agencies*

³⁷ 24 CFR § 966.57(b)

³⁸ 24 CFR § 966.57(c)

³⁹ See 24 CFR Part 8 ; See also 28 CFR part 35.

⁴⁰ 24 CFR § 966.56(f); See 24 CFR Part 8; See also 28 CFR part 35.

⁴¹ 24 CFR § 966.56(f); See 24 CFR Part 8; See also 28 CFR part 35.

⁴² 24 CFR § 8.6; See also 28 CFR part 35, Subpart E.

PHAs also must take reasonable steps to ensure meaningful access to their programs and activities to individuals with limited English proficiency (LEP).⁴³ Detailed information on LEP requirements as well as reasonable accommodations and effective communications is provided in the Fair Housing and Nondiscrimination Chapter.

⁴³ 24 CFR § 966.56(g); See also HUD's Final Guidance to Federal Financial Assistance Recipients: Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (LEP Guidance) (72 FR 2732). LEP guidance and LEP information is available on HUD's website at https://www.hud.gov/program_offices/fair_housing_equal_opp/promotingfh/lep-faq.

Appendix C

HUD Approved 2023

Family Self-Sufficiency Action Plan



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

October 12, 2022

Ms. Babette Jamison-Varner
Executive Director
Housing Authority of the City of Freeport
1052 W. Galena Avenue, Suite A
Freeport, IL 61032

Dear Ms. Jamison-Varner:

Thank you for submitting your Family Self-Sufficiency (FSS) Action Plan. The Office of Public and Indian Housing staff reviewed your agency's Action Plan and determined it meets the requirements of the Final Rule. Therefore, your FSS Action Plan is approved.

If you have questions or concerns, please contact me at William.O.DawsonIII@hud.gov or Portfolio Management Specialist Steve DiPietro at steven.dipietro@hud.gov.

Sincerely,

**William O
Dawson III**

William Dawson, MPA, Director
Illinois State Office of Public Housing
Region V

Digitally signed by: William O Dawson III
DN: CN = William O Dawson III email = william.o.dawsoniii@hud.gov C = US O = U.S. Department of Housing & Urban Development OU = Director, Illinois State Office of Public Housing
Date: 2022.10.12 16:32:34 -05'00'



Housing Authority of the City of Freeport

Family Self-Sufficiency Program 2023 Draft Action Plan September 28, 2022

Housing Authority of the City of Freeport (IL029)

Field Office:	Illinois State Office of Public Housing
Grants Manager:	Steven DiPietro Steven.DiPietro@hud.gov
IL029 Point of Contact:	Babette Jamison-Varner Chief Executive Officer Bjamisonvarner@hacf.us 815-232-4171 ext. 1015

I. Introduction

This document constitutes the Family Self Sufficiency (FSS) Program Action Plan for the FSS program operated by The Housing Authority of the City of Freeport (HACF). It was submitted to HUD on September 28, 2022.

The purpose of the FSS Program is to promote the development of local strategies to coordinate the use of HUD assistance with public and private resources to enable eligible families to make progress toward economic security.

The purpose of the FSS Action Plan is to establish policies and procedures for carrying out the FSS program in a manner consistent with HUD requirements and local objectives.

This FSS Action Plan describes the Housing Authority of the City of Freeport's local policies for operation of the FSS program in the context of federal laws and regulations. The FSS program will be operated in accordance with applicable laws, regulations, notices, and HUD handbooks. The policies in this FSS Action Plan have been designed to ensure compliance with all approved applications for HUD FSS funding.

The FSS program and the functions and responsibilities of PHA staff are consistent with the Housing Authority of the City Freeport personnel policy and Agency Plan.

II. Program Objectives

HACF's FSS program seeks to help families make progress toward economic security by supporting the family's efforts to:

- Increase their earned income
- Build financial capability
- Achieve their financial goals

III. Program Size and Characteristics

III.A. – Family Demographics

These tables describe the demographics of the population expected to be served by [organization]'s Action Plan.

The FSS program will serve the following housing assistance programs *[check all that apply, and specify details as needed]*:

- ☒ Public Housing,
- ☐ Housing Choice Vouchers (HCV): Tenant-Based Vouchers
- ☐ Housing Choice Vouchers (HCV): Project-Based Vouchers (PBV)
- ☐ Housing Choice Vouchers (HCV): HCV Homeownership
- ☐ Housing Choice Vouchers (HCV): Other special purpose vouchers (e.g., FUP, FUP-Y, FYI, VASH, EHV, etc.) (Specify: _____)

- ☐ Section 8 Moderate Rehabilitation
- ☐ Project-Based Rental Assistance (PBRA)
- ☐ Other Program (*Specify:* _____)

Ages of Head of Household and Other Adults

	Percent
Ages of Head of Household	
--Head of Household is age 24 years or younger	13%
--Head of Household is age 25 to 50	60%
--Head of Household is age 51 to 61	20%
--Head of Household is age 62 or greater	7.6%
Distribution of Household Size	
1 Persons	36%
2 Persons	20%
3 Persons	20%
4 Persons	10%
5 Persons	6%
6 or more	8%

Presence and Ages of Children

	Percent
Presence and Ages of Children	
--Households that only include adults over age 18	48%
--Households that include one or more child age 6-17	31%
--Households that include children 0-5	21%

Source of Income of Population to be Served

	Percent
Distribution of Sources of Income	
Households with any wages	33%
Households with welfare	11%
Households with SSI/SS/Pension	41%
Households with any other income	79%
Households with no income	3%

Annual Earned Income of Population to be Served

	Percent
Annual household earnings <\$5,000 per year	34%
Annual household earnings between \$5,000 and \$9,999	11%
Annual household earnings between \$10,000 and \$14,999	28%
Annual household earnings between \$15,000 and \$19,999	7%
Annual household earnings between \$20,000 and \$24,999	7%
Annual household earnings between \$25,000 and \$29,999	1.6%
Annual household earnings between \$30,000 and \$34,999	7.3%
Annual household earnings of \$35,000 or higher	7%

Elderly/Disability Status of Population to be Served

	Percent
Elderly, No children, non-Disabled	2%
Elderly, with children non-Disabled	0%
Non-elderly, No children, non-disabled	16%
Non-elderly with children, non-disabled	50%
Elderly, No Children Disabled	7
Elderly, with Children Disabled	0%
Non-elderly, no children, disabled	18 %
Non-elderly with children disabled	7%
<i>Forty-nine percent of households have female headed household with children.</i>	

Race and Ethnicity of Population to be Served (required)

Race	Percent
White	24%
Black/African American	72%
American Indian or Alaska Native	0.5%
Asian	0.5%
Native Hawaiian or other Pacific Islander	0%
Other Race: <u>Bi-Racial Black/African American Only</u>	3%

Race	Percent
Hispanic or Latino	2%
Non-Hispanic or Latino	98%

III.B – Supportive Services Needs of Families Expected to Participate in FSS

The following is a list of the supportive service needs of the families expected to enroll in the Housing Authority of the City of Freeport's FSS program:

- Training in basic skills and executive function (including household management)
- Employment training, including sectoral training and contextualized and/or accelerated basic skills instruction
- Job placement assistance
- GED preparation
- Higher education guidance and support
- English as a Second Language
- Assistance accessing and paying for childcare
- Transportation assistance
- Financial coaching, including assistance with budgeting, banking, credit, debt, and savings
- Access to counseling or treatment for substance abuse and mental health
- Dental care, health care, and mental health care including substance abuse treatment/counseling
- Homeownership readiness
- Time Management

This list of supportive services needs is based on: *(check all that apply)*

- ☒ Experience with past FSS or other supportive service program participants
- ☒ Input from the PCC or other service provider partners
- ☒ A needs assessment completed upon start of program participation.
- ☐ Other: _____

III. C. – Estimate of Participating Families

Over time, The Housing Authority of the City of Freeport will serve all families who are interested in participating in the FSS Program. The number of spaces available in the program at any given time, however, will be limited by the program's resources, including the number of FSS coordinators funded to work with FSS participants. New families will be admitted to the FSS program as space permits.

Instructions: Complete the paragraphs that apply to your FSS program.

In recent years, the Housing Authority of the City of Freeport has been funded for a coordinator at 1 FTE. The minimum number of participants required to be served based on this funding is 25.

Moving into the next grant year with an updated Action Plan and current participants, the Housing Authority of the City of Freeport will maintain a case load of 30 families with in the first 90 days of 2023. Given the number of graduating participants transitioning out of the program, FSS expects to enroll at least 2 new families each year over the next 5 years.

III. D – Other Self-Sufficiency Programs

☐ **Option 1:**

The Housing Authority of the City of Freeport expects to enroll into FSS families from the self-sufficiency programs checked in the table below.

Name of Program	Check box if applicable	Number of Families each year
Family Unification Program - Family	<input type="checkbox"/>	
Family Unification Program – Youth (FUP-Y)	<input type="checkbox"/>	
Foster Youth Initiative (FYI)	<input type="checkbox"/>	
Resident Opportunity and Self-Sufficiency (ROSS)	<input type="checkbox"/>	
Jobs Plus	<input type="checkbox"/>	
Emergency Housing Voucher (EHV)	<input type="checkbox"/>	
Veterans Affairs Supportive Housing (VASH)		
Other:	<input type="checkbox"/>	

☒ **Option 2:**

No families from other self-sufficiency programs are expected to enroll in the FSS program.

IV. Family Selection Procedures

A. Waiting List

A waiting list will be maintained for families whose applications cannot be accepted at the time of initial application due to program capacity limits. The waiting list will include the name and contact information for the head of household of the applicant family, the date of their application and pre application needs assessment.

B. Admissions Preferences

☒ **Option 1: No preference:**

The FSS program has not adopted any admissions preferences. Families will be selected based on the following selection method:

Lottery	<input type="checkbox"/>
Length of time living in subsidized housing	<input type="checkbox"/>
Date the family expressed an interest in participating in the FSS program	<input checked="" type="checkbox"/>
Other:	<input type="checkbox"/>

☐ **Option 2: One or more selection preference(s):**

The FSS program will provide a preference for families who meet each of the preference types identified by a checkmark in the following table. The table shows the percent of FSS slots to which the preference applies, and the outreach and selection methods that will be applied to identify and select the households within each preference category.

Check if Applicable	Preference Type	% of FSS Slots	Outreach Method(s)	Identify Selection Method (these are the only two options for selection within a preference, per 24 CFR 984.203(b))
<input type="checkbox"/>	Families already in the following FSS-related service program(s): <i>[specify]</i>			<input type="checkbox"/> Date and time of application to the FSS Program <input type="checkbox"/> A drawing or other random choice technique
<input type="checkbox"/>	Families Porting in			<input type="checkbox"/> Date and time of application to the FSS Program <input type="checkbox"/> A drawing or other random choice technique
<input type="checkbox"/>	FUP-Y/FYI Families that want to take advantage of the Fostering Stable Housing Opportunities (FSHO) Initiative			<input type="checkbox"/> Date and time of application to the FSS Program <input type="checkbox"/> A drawing or other random choice technique
<input type="checkbox"/>	Other Preference:			<input type="checkbox"/> Date and time of application to the FSS Program <input type="checkbox"/> A drawing or other random choice technique

C. Screening for motivation.

☐ **Option 1:** Motivational screening factors will not be used to measure a family's interest and motivation to participate in the FSS program.

☒ **Option 2:** One or more motivational screening factors to measure the family's interest and motivation to participate in the FSS program. The following screening criteria will be used:

- **Orientation Session:** The Housing Authority of the City of Freeport will screen families for motivation to participate in the FSS program by requiring that families who apply to enroll in the FSS program attend an initial orientation session. Each family will be given two opportunities to attend the orientation session and may request accommodation if unable to attend a scheduled orientation session. Accommodations will be offered on a case-by-case basis, depending on the needs of the applicant. Accommodations may include an individually scheduled orientation

session, provision of transportation to/from the orientation site, translation services, an alternative location, a virtual orientation session, or allowance and encouragement to bring children to the session, where possible.

- **Other: Screening Criteria:** The Housing Authority of the City of Freeport will also administer the **DISC Assessment** is a measure of interpersonal behavior. This assessment will classify how the FSS Coordinator and community support system should interact with participants in terms of four personality styles: Drive: taking charge and making key decisions. Influence: engaging others to work together. Support: assisting others to achieve group goals.

D. Compliance with nondiscrimination policies

It is the policy of the Housing Authority of the City of Freeport to comply with all Federal, State, and local nondiscrimination laws and regulations, including but not limited to the Fair Housing Act, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act of 1973. No person shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the FSS program on the grounds of race, color, sex, religion, national or ethnic origin, family status, source of income, disability or perceived gender identity and sexual orientation. In addition, the Housing Authority of the City of Freeport's FSS Coordinator will, upon request, provide reasonable accommodation to persons with disabilities to ensure they are able to take advantage of the services provided by the FSS program (The Reasonable Accommodations Policy can be found online at: www.freeporthousing.org. Go to: **Public Housing Policies and Information—Fair Housing and Reasonable Accommodations**.

The FSS program staff has the primary responsibility to make sure that participants are not discriminated against in the selection process. For families or individuals whose potential enrollment is in question, the FSS coordinators will review the file in the staff review meeting to ensure that non-selection is not based on discriminatory factors before the final decision is made. Applicants will be notified in writing of the reason(s) they were not selected for participation and will have the opportunity to appeal the decision by going online to www.freeporthousing.org/Residents. Go to: **File a Grievance**. At all times, Housing Authority of the City of Freeport will select families for participation in the FSS program in accordance with FSS Regulations and HUD guidelines.

E. Re-enrollment of prior FSS participants

The following previous FSS families will be allowed to re-enroll in the Housing Authority of the City of Freeport's FSS program:

- ☐ FSS program graduates (2 years after graduation)
- ☒ FSS participants who have withdrawn voluntarily (six months or more)
- ☒ Families terminated with escrow disbursement (no less than 2 years)
- ☒ Families involuntarily terminated
- ☒ Family members who were not Heads of FSS Family previously
- ☐ No member of previously enrolled families may re-enroll

The following conditions apply to re-enrollment:

An FSS Re-Enrollment Form must be filled out by the previous FSS family and the FSS Coordinator

- Graduates with a change in employment status or household composition that has negatively affected their household income.
- Voluntary withdrawals are allowed to re-enroll with an update to their Service Plan.
- Participants terminated with an escrow account may re-enroll when experiencing a negative change in employment status or household composition.
- Involuntarily Termination (e.g., change in household composition, relocation, personal and economic growth).

F. Head of FSS Family

The head of the FSS family is designated by the participating family. The Housing Authority of the City of Freeport may make itself available to consult with families on this decision, but it is the assisted household that chooses the head of FSS family that is most suitable for their individual household circumstances. The designation or any changes by the household to the Head of FSS Family must be submitted to the Housing Authority of the City of Freeport in:

- ☒ Writing (form available online)
☐ A form developed by the organization
☐ Other: _____

V. Outreach

The Housing Authority of the City of Freeport will conduct widespread outreach to encourage enrollment in the FSS program. Outreach efforts will include the activities identified through the checked boxes below: Interpreters will be used as needed and clients may contact staff to express interest in person, via our toll-free telephone number or by email.

Outreach Methods	Details and Frequency
<input checked="" type="checkbox"/> Website posting information about FSS.	Weekly updates on program related activities, community resources and activities.
<input checked="" type="checkbox"/> Posting FSS program flyers in locations likely to be seen by eligible families.	Monthly updates about program and community events, services, and educational opportunities (e.g., workshops, trainings employment opportunities, motivational readings, success stories and testimonial videos from other programs.)
<input checked="" type="checkbox"/> Providing information about the FSS program during scheduled reexaminations	Annually. Additional updates to goals, needed programs and services

Outreach Methods	Details and Frequency
<input type="checkbox"/> Providing information about the FSS program at voucher orientation sessions	N/A
<input checked="" type="checkbox"/> Holding well-publicized information sessions about FSS	Quarterly. Program related activities, opportunities, and resources.
<input checked="" type="checkbox"/> Providing information about the FSS program to eligible families by mail	Monthly updates about program and community events, services, and educational opportunities (e.g., workshops, trainings employment opportunities, motivational readings, success stories and testimonial videos from other programs.)
<input checked="" type="checkbox"/> Facebook	2-3 x per week. Monthly updates about program and community events, services, and educational opportunities (e.g., workshops, trainings employment opportunities, motivational readings, success stories and testimonial videos from other programs.)
<input checked="" type="checkbox"/> Twitter	2-3 x per week. Monthly updates about program and community events, services, and educational opportunities (e.g., workshops, trainings employment opportunities, motivational readings, success stories and testimonial videos from other programs.)
<input checked="" type="checkbox"/> Instagram	2-3 x per week. Monthly updates about program and community events, services, and educational opportunities (e.g., workshops, trainings employment opportunities, motivational readings, success stories and testimonial videos from other programs.)
<input checked="" type="checkbox"/> Other Text Messages and Emails	Individual and mass text messages as a reminder of upcoming events, activities, sessions and meetings.

Outreach informational material about the FSS Program will include information about:

- Program overview
- Program benefits
- Available resources
- Participant responsibilities
- Program outcomes

Outreach efforts will be targeted equally to all families, using materials in both English and other commonly spoken languages to ensure that non-English and limited English-speaking families receive information and can participate in the FSS Program. In conducting outreach, the Housing Authority of the City of Freeport will account for the needs of person with disabilities, including persons with impaired vision, hearing, or mobility, and provide effective communications to ensure that all eligible who wish to participate are able to do so.

VI. FSS Escrow Account and Other Incentives for Participants

FSS participants will be eligible to build savings from the FSS escrow account. Key policies and procedures applicable to the FSS escrow account, as well as any additional incentives offered by the Housing Authority of the City of Freeport, are described below.

A. Additional Incentives

☐ **Option 1.** The organization's FSS program does not provide any other financial incentives for FSS participants, it does provide coaching services, as well as referrals to other service providers, that can be very valuable for FSS program participants.

☒ **Option 2.** The Housing Authority of the City of Freeport's FSS program provides the following incentives to FSS participants in addition to the FSS escrow account:

- DISC Assessment Reading for goal setting and motivation.
- Specially coaching sessions (e.g., financial management, continuing education, time management, entrepreneurship.)
- Certificate/special recognition of ISP goal achievements.

B. Interim Disbursements

☒ **Option 1: The Housing Authority of the City of Freeport will allow for interim disbursements on a case-by-case basis:** Families may request an interim disbursement from the escrow account once the FSS family has fulfilled at least one interim goal, in order to pay for specific goods or services that will help the family make progress toward achieving the goals in its Individual Training and Services Plan (ITSP). Requests may be made verbally or in writing. Requests may be made through the term of the Contract of Participation. Examples of potentially eligible activities include, but are not limited to, payments for post-secondary education, job training, credit repair, small business start-up costs, job start-up expenses, and transportation to/from a place of employment. A determination of whether the family qualifies for the requested interim disbursement will be made on a case-by-case basis by the FSS Coordinator and an administrative staff representative of the Housing Authority of the City of Freeport. The FSS coordinator will first explore options for services and in-kind donations from partners, which must be exhausted before a request for an interim disbursement will be approved. A written request with supporting documentation must be presented to the CEO/Executive Director for final approval.

☒ **Option 2: The organization will allow for interim disbursements subject to certain specified limitations:**

Families may request an interim disbursement from the escrow account once the FSS family has fulfilled at least one interim goal in order to pay for specific goods or services that will help the family make progress toward achieving the goals in its Individual Training and Services Plan (ITSP). Requests may be made verbally or in writing. Requests may be made through the term of the Contract of Participation. Examples of potentially eligible activities include, but are not limited to, payments for post-secondary education, job training, credit repair, small business start-up costs, job start-up expenses, and transportation to/from a place of employment. Certainly guidelines / limitations apply to interim disbursement requests, as noted in the table below. The FSS Coordinator and an administrative staff representative of the organization will consider requests for interim disbursement considering these policies and applicable federal requirements.

Specific guidelines / limitations apply to interim disbursement requests for the expenditure types checked in the box below.

Expenditure Type	Guidelines / Limitations
<input type="checkbox"/> Debt repayment	<input type="checkbox"/> Interim disbursements will be allowed for repayment of debt incurred prior to starting the FSS program, but not for debt incurred afterwards <input type="checkbox"/> Head of FSS Household must be engaged in financial coaching and this request must have the support of their financial coach <input type="checkbox"/> Requests will be considered on a case-by-case basis <input type="checkbox"/> An interim disbursement for debt repayment may not exceed 10% of the participant's escrow savings. <input type="checkbox"/> Other: _____ <input type="checkbox"/> Interim disbursements will not be allowed for debt repayment
<input type="checkbox"/> Car purchase	<input type="checkbox"/> Families interested in using an interim disbursement to purchase a car must first ask the PHA for a referral to [add partner name] that provides discounted cars. <input type="checkbox"/> The maximum interim disbursement that will be allowed for a car purchase is: [add] <input type="checkbox"/> Head of FSS Household must be engaged in financial coaching and this request must have the support of their financial coach <input type="checkbox"/> The terms of any car purchase or car loan will be scrutinized to ensure the terms are reasonable. <input type="checkbox"/> Head of FSS Household must submit a budget that includes the ability to cover insurance, gas and savings for maintenance and repair of the vehicle. <input type="checkbox"/> Requests will be considered on a case-by-case basis <input type="checkbox"/> Other: _____ <input type="checkbox"/> Interim disbursements will not be allowed for car purchase.
<input type="checkbox"/> [Add category]	
<input type="checkbox"/> [Add category]	

☐ Option 3: The organization will not allow for interim disbursements.

C. Uses of forfeited escrow funds.

☒ **Option 1:** Forfeited escrow funds remaining from terminated participants will be collected in a general fund and may be disbursed evenly among participants in good standing on a regular basis.

☐ **Option 2: Treatment of forfeited FSS escrow account funds.** FSS escrow account funds forfeited by the FSS family (if any) will be used to support FSS participants in good standing. Upon written request from a family, the FSS Coordinator and a member of the PCC will consider the available funds and make a determination.

The organization also initiate a request for the use of forfeited escrow funds.

☐ **Option 1:** At the discretion of the FSS coordinator, forfeited escrow funds may be considered in lieu of an interim escrow disbursement.

☒ **Option 2:** Forfeited escrow funds may not be considered as a substitute for an interim escrow disbursement.

☐ **Option 3:** Other: _____

Forfeited FSS escrow funds may be deployed:

☐ Any time during the term of a household's CoP

☐ Within [####] days of CoP execution

☐ No more than [####] days prior to the scheduled expiration of CoP

Use of forfeited escrow funds for eligible uses (described below) may be requested by:

☒ The Housing Authority of the City of Freeport

☐ Head of the FSS family

☐ Non-head FSS family members

Eligible uses of forfeited escrow funds include, but are not limited to:

Eligible Uses	Guidelines / Limitations
<input type="checkbox"/> Purchasing a vehicle	<input type="checkbox"/> Families interested in using a forfeited escrow funds to purchase a vehicle must first receive a referral to <i>[add partner name]</i> that provides discounted vehicles. <input type="checkbox"/> The maximum forfeited escrow fund amount that will be allowed for a vehicle purchase is: <i>[add]</i> <input type="checkbox"/> Head of FSS Household must be engaged in financial coaching and this request must have the support of their financial coach <input type="checkbox"/> The terms of any vehicle purchase or vehicle loan will be carefully scrutinized to ensure the terms are reasonable. <input type="checkbox"/> Head of FSS Household must submit a budget that includes the ability to cover insurance, gas and savings for maintenance and repair of the vehicle. <input type="checkbox"/> Requests will be considered on a case-by-case basis <input type="checkbox"/> Other: <i>[specify]</i>
<input checked="" type="checkbox"/> Child Care	<input checked="" type="checkbox"/> Requests will be considered on a case-by-case basis <input type="checkbox"/> Other: <i>[specify]</i>
<input checked="" type="checkbox"/> Training for participants	<input checked="" type="checkbox"/> Requests will be considered on a case-by-case basis <input checked="" type="checkbox"/> Other: fees for specialized workshops (e.g., homeownership, parenting, financial management seminars).

<input checked="" type="checkbox"/> Employment or Educational Costs, including: <input checked="" type="checkbox"/> Employment training <input checked="" type="checkbox"/> Employment preparation (e.g., interview training, professional clothing, etc.) <input checked="" type="checkbox"/> Education costs (books, fees, uniforms, tools, etc.)	<input checked="" type="checkbox"/> Head of FSS Household must be engaged in financial coaching and this request must have the support of their financial coach <input checked="" type="checkbox"/> Household member receiving funding support must be engaged in financial coaching and this request must have the support of their financial coach <input checked="" type="checkbox"/> Requests will be considered on a case-by-case basis with supporting documentation <input type="checkbox"/> Other: [specify]
<input type="checkbox"/> Training for FSS Program staff	<input type="checkbox"/> Requests for funding must be approached by [entity (e.g., the PCC)] <input type="checkbox"/> Other: [specify]
<input type="checkbox"/> Other:	<input type="checkbox"/> [Add Guidelines/Limitations]

VII. Family Activities and Supportive Services

As described in the next section, all families participating in the FSS program will benefit from coaching that helps them identify and achieve goals that the family selects. Drawing on partners on the program coordinating committee and relationships with other service providers, the coaches will provide referrals as needed to help FSS participants access appropriate services to help them achieve their goals:

Supportive Service Category	Specific Service	Source/Partner
<input checked="" type="checkbox"/> Assessment	<input checked="" type="checkbox"/> Vocational Assessment Educational <input checked="" type="checkbox"/> Assessment Disability Assessment <input type="checkbox"/> Disability Other specialized assessments	Highland Community College Ramp
<input checked="" type="checkbox"/> Child Care	<input checked="" type="checkbox"/> Infant Care / Toddler Care Preschool Care <input checked="" type="checkbox"/> Afterschool Care <input checked="" type="checkbox"/> Homework Assistance	NICCA Head Start Boys and Girls Club Amity Daycare and Learning School District 145
<input checked="" type="checkbox"/> Transportation	<input checked="" type="checkbox"/> Bus passes <input type="checkbox"/> Assistance with car repairs <input type="checkbox"/> Assistance with car purchase	Pretzel City Transit Northern IL Community Action Agency
<input checked="" type="checkbox"/> Education	<input checked="" type="checkbox"/> High School Equivalency/GED <input checked="" type="checkbox"/> English as a Second Language <input checked="" type="checkbox"/> Post-secondary certificates <input checked="" type="checkbox"/> Advanced Degrees	Highland Community College

Supportive Service Category	Specific Service	Source/Partner
<input checked="" type="checkbox"/> Skills Training	<input type="checkbox"/> Training in Executive Function <input checked="" type="checkbox"/> Basic Skills Training <input checked="" type="checkbox"/> Emerging Technologies Training <input type="checkbox"/> Biomedical Training (including CNA, phlebotomy, x-ray and other tech, etc.) <input type="checkbox"/> On-the-Job Training <input checked="" type="checkbox"/> Apprenticeships <input checked="" type="checkbox"/> Skilled Labor training	Highland Community College Rock Valley Community College Workforce Boys and Girls Club of the City of Freeport The SPARK Program
<input checked="" type="checkbox"/> Job Search Assistance	<input checked="" type="checkbox"/> Resume Preparation <input checked="" type="checkbox"/> Interviewing Skills <input checked="" type="checkbox"/> Dress for Success <input checked="" type="checkbox"/> Workplace Skills <input checked="" type="checkbox"/> Job Development <input checked="" type="checkbox"/> Job Placement	Highland Community College The SPARK Program Hughes Resources Furst Staff Workforce
<input checked="" type="checkbox"/> Micro and Small Business Development	<input checked="" type="checkbox"/> Small business development services <input checked="" type="checkbox"/> Small business Mentoring <input checked="" type="checkbox"/> Entrepreneurship Training	Greater Freeport Partnership Highland Community College Rock Valley College
<input checked="" type="checkbox"/> Health/Mental Health Care	<input checked="" type="checkbox"/> Alcohol and Drug Abuse Prevention <input checked="" type="checkbox"/> Alcohol and Drug Abuse Treatment <input checked="" type="checkbox"/> Primary care <input checked="" type="checkbox"/> Dental services <input checked="" type="checkbox"/> Mental Health Services <input checked="" type="checkbox"/> Health Insurance Advising	Rosecrance FHN Family Counseling Affordable Dental NICCA Head Start Freeport Health Network Senior Resource Center
<input checked="" type="checkbox"/> Crisis Services	<input checked="" type="checkbox"/> Crisis Assessment <input checked="" type="checkbox"/> Crisis Intervention <input checked="" type="checkbox"/> Crisis Management <input checked="" type="checkbox"/> Crisis Resolution	Rosecrance FHN Family Counseling Freeport Health Network
<input checked="" type="checkbox"/> Child/Adult Protective Services	<input checked="" type="checkbox"/> Needs Assessment <input checked="" type="checkbox"/> Case Planning <input checked="" type="checkbox"/> Information Referral	Rosecrance DCFS Voices Senior Resource Center FHN Family Counseling
<input checked="" type="checkbox"/> Household Management	<input checked="" type="checkbox"/> Training in Household Management	Senior Resource Center

Supportive Service Category	Specific Service	Source/Partner
<input checked="" type="checkbox"/> Homeownership Preparation	<input checked="" type="checkbox"/> Homeownership Education <input checked="" type="checkbox"/> Housing Counseling <input type="checkbox"/> Down payment Assistance <input type="checkbox"/> Other Homeownership Assistance	The SPARK Program State Bank
<input checked="" type="checkbox"/> Financial Empowerment	<input checked="" type="checkbox"/> Financial education <input checked="" type="checkbox"/> Financial coaching <input checked="" type="checkbox"/> Banking services <input checked="" type="checkbox"/> Training in money management	The SPARK Program US Bank State Bank
<input type="checkbox"/> Individual Development Accounts	<input type="checkbox"/> Matched Savings Accounts	
<input checked="" type="checkbox"/> Legal Services	<input checked="" type="checkbox"/> Legal Services	Prairie State Legal
<input checked="" type="checkbox"/> Debt Resolution & Credit Repair	<input checked="" type="checkbox"/> Assistance negotiating the resolution of past-due debt	The Spark Program Northern IL Community Action US Bank State Bank

VIII. Method of Identifying Family Support Needs and Delivering Appropriate Support Services

A. Identifying Family Support Needs

To help determine the supportive services needs of each family, the FSS coordinator will work with the family to complete an initial informal needs assessment for that family before completion of the initial Individual Training Service Plan (ITSP) and signing of the contract of participation. After enrollment in the FSS program, the FSS coordinator may make referrals to partner agencies for completion of one or more formal needs assessments. These assessments may focus on such issues as: employment readiness and employment training needs, educational needs related to secondary and post-secondary education, financial health, and other topics, depending on the needs and interests of the family.

The formal assessments may lead to adjustments to the Individual Training Service Plan, if requested by the family.

B. Delivering Appropriate Support Services

Coaching. All families who participate in the FSS program will be assigned an FSS coordinator who will provide coaching services to help each participating family to:

- Understand the benefits of participating in the FSS program and how the program can help the family achieve its goals.
- Identify achievable, but challenging interim and final goals for participation in the FSS program, break down the goals into achievable steps and accompany the family through the process.
- Identify existing family strengths and skills.
- Understand the needs that the family has for services and supports that may help the family make progress toward their goals.
- Access services available in the community through referral to appropriate service providers.
- Overcome obstacles in the way of achieving a family's goals.

C. Transitional supportive service assistance.

☒ **Option 1:** Families that have completed their CoP and remain in assisted housing may request assistance with referrals to service providers to continue their progress toward economic security. Subject to limitations on staff capacity, the Housing Authority of the City of Freeport will try to help these families with appropriate referrals. The time spent on these referrals will not be covered by funds designated by HUD to support the FSS program.

☐ **Option 2:** No assistance or referrals will be available to families who have completed their CoP contracts.

IX. Contract of Participation

All families enrolled in the FSS program will be required to sign a Contract of Participation (CoP) that includes an Individual Training and Services Plan (ITSP). This section describes the contents of the CoP and the Housing Authority of the City of Freeport's policies and practices regarding the CoP.

A. Form and content of contract

The CoP, which will incorporate one ITSP for each participating member of the family, sets forth the principal terms and conditions governing participation in the FSS program. These include the rights and responsibilities of the FSS family and of the Housing Authority of the City of Freeport, the services to be provided to, and the activities to be completed by, each adult member of the FSS family who elects to participate in the program.

B. ITSP goals

Everyone's ITSP will establish specific interim and final goals by which the Housing Authority of the City of Freeport and the family will measure the family's progress towards fulfilling its obligations under the CoP. For any FSS family that is a recipient of welfare assistance at the outset of the CoP or that receives welfare assistance while in the FSS program, the Housing Authority of the City of Freeport will establish as a final goal that every member of the family become independent from welfare assistance before the expiration of the CoP. The ITSP of the head of FSS family will also include as a final goal that they seek and maintain suitable employment. The FSS coordinator will work with each participating individual to identify additional ITSP goals that are relevant, feasible and desirable. Any such additional goals will be realistic and individualized.

C. Determination of suitable employment

As defined in the FSS regulations (24 CFR 984.303(4)(iii)), a determination of what constitutes "suitable employment" for each family member with a goal of seeking and maintaining it will be made by the Housing Authority of the City of Freeport with the agreement of the affected participant, based on the skills, education, job training and receipt of other benefits of the family member and based on the available job opportunities within the community.

D. Contract of Participation term and extensions

The CoP will go into effect on the first day of the month following the execution of the CoP. The initial term of the CoP will run the effective date through the five-year anniversary of the first reexamination of income that follows the execution date. Families may request up to two one-year extensions and are required to submit a written request that documents the need for the extension. The Housing Authority of the City of Freeport will grant the extension if it finds that good cause exists to do so. In this context, good cause means:

- (i) Circumstances beyond the control of the FSS family, as determined by the Housing Authority of the City of Freeport such as a serious illness or involuntary loss of employment.
- (ii) Active pursuit of a current or additional goal that will result in furtherance of self-sufficiency during the period of the extension (e.g., completion of a college degree during which the participant is unemployed or under-employed, credit repair towards being homeownership ready, etc.) as determined by the Housing Authority of the City of Freeport or

(iii) Any other circumstances that the Housing Authority of the City of Freeport determines warrants an extension, including events that negatively impacts the participants household income.

E. Completion of the Contract

The CoP is completed, and a family's participation in the FSS program is concluded when the FSS family has fulfilled all its obligations under the CoP, including all family members' ITSPs, on or before the expiration of the contract term. The family must provide appropriate documentation that each of the ITSP goals has been completed. The Housing Authority of the City of Freeport will accept the following form of verification for completion of the ITSP goals:

☐ **Option 1:** The organization will accept self-certification to document completion of ITSP goals.

☐ **Option 2:** The organization will require third party verification to document completion of ITSP goals.

☒ **Option 3:** The Housing Authority of the City of Freeport will require a combination of self-certification and third-party verification to document completion of ITSP goals (e.g., pay stubs, employment verifications, certificates).

F. Modification

The Housing Authority of the City of Freeport and the FSS family may mutually agree to modify the CoP with respect to the ITSP and/or the contract term, and/or designation of the head of FSS household. All modifications must be in writing and signed by the participant, the FSS Coordinator and the Executive Director.

The Housing Authority of the City of Freeport will allow for modifications to the CoP under the following circumstances:

☒ When the modifications to the ITSP improve the participant's ability to complete their obligations in the CoP or progress toward economic self-sufficiency.

☒ When the designated head of the FSS family ceases to reside with other family members in the assisted unit, and the remaining family members, after consultation with the Housing Authority of the City of Freeport designate another family member to be the FSS head of family.

☒ When a relocating family is entering the FSS program of a receiving PHA and the start date of the CoP must be changed to reflect the date the new CoP is signed with the receiving PHA.

☒ Other: All other modifications may be submitted in writing and signed by the participant and the coordinator.

☒ **Option 1:** The Housing Authority of the City of Freeport will allow modifications at any time during the term of the CoP

☐ **Option 2:** The organization will not allow modifications if the CoP is within [fill in] days from the end of the term.

☐ **Option 3:** The organization will not allow modifications of the CoP.

G. Consequences of noncompliance with the contract

Participant non-compliance with the CoP may result in termination from the FSS program. See policies on Involuntary Termination in Section X(A).

X. Program Termination, Withholding of Services, and Available Grievance Procedures

A. Involuntary Termination

The Housing Authority of the City of Freeport may involuntarily terminate a family from FSS under the following circumstances:

- I. If the participant fails to meet their obligations under the Contract of Participation, the Individual Training and Services Plan and related documentation. Non-compliance includes:
 - i. Missing scheduled meetings, failure to return phone calls, and/or maintain contact after written notification of non-compliance
 - ii. Failure to work on activities and/or goals set forth in the Individual Training and Services Plan, including employment activities
 - iii. Failure to complete activities and/or goals within the specified time frames; and/or

II. If the participant's housing assistance has been terminated.

Participants who fail to meet their obligations under paragraph I above, as determined by an FSS coordinator, will be given the opportunity to attend a required meeting with the FSS Coordinator to review the situation. At this meeting, a review of the Contract of Participation, Individual Training and Services Plan, and all related documentation will be conducted, and amendments will be made as necessary (within HUD guidelines) to allow for changes in circumstances. Failure to contact the FSS Coordinator to schedule this meeting within fourteen (14) days of a written request by the FSS program to set up this a meeting or failure by the FSS Head of Household to attend this meeting without some type of correspondence to clarify the issue(s), may lead to termination from the program. The FSS Coordinator will also attempt to contact the participant via phone, text, in person and/or email prior to the review meeting. Participants who remain out of compliance after this meeting will be subject to termination from the FSS program.

If the initial meeting does not resolve the problem, or if the meeting is not requested by the family within the required period, notification of termination will be made to the family by letter stating:

1. The specific facts and reasons for termination.
2. A statement informing the family of their right to request an informal hearing and the date by which this request must be received (see *Grievance Procedures*).
3. A statement informing the family that termination from the FSS program for the reasons stated therein will not result in termination of the family's housing assistance. Failure to request a hearing in writing by the deadline will result in closure of the family's FSS file and all rights to a hearing will be waived. All escrow money held on the family's behalf will be forfeited in accordance with HUD regulations. Housing assistance will not be terminated based on non-compliance with the FSS program. The current amount of escrow in the family's escrow account will be included in the letter.

B. Voluntary Termination

Participants may also be terminated from the FSS program under the following circumstances:

- Mutual consent of both parties; and/or
- The family's withdrawal from the program.

C. Termination with Escrow Disbursement

In most cases, families whose FSS contracts are terminated will not be entitled to disbursement of their accrued FSS escrowed funds. However, the CoP will be terminated with FSS disbursement when one of the following situations occurs:

- (i) Services that the Housing Authority of the City of Freeport and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable.
- (ii) The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless the Housing Authority of the City of Freeport and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family.
- (iii) An FSS family in good standing moves outside the jurisdiction of the PHA (in accordance with portability requirements at 24 CFR §982.353) for good cause, as determined by the PHA, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

D. Grievance Procedures

All requests for an informal hearing must be received by the Housing Authority of the City of Freeport within fourteen (14) business days of the date of the FSS termination letter. If a hearing is requested by the FSS family, notification to the family regarding the date, time, and location of the informal hearing will be made by mail.

Persons included in the informal hearing shall include, but not be limited to:

- The FSS head of household and a requested support person (e.g., family member, associate, attorney);
- The FSS Coordinator; and
- The Housing Authority of the City of Freeport Hearing Officer, (e.g., Executive Director, Commissioner).

All participants have the right to obtain legal representation and provide their witnesses.

The family may request to reschedule a hearing for good cause, or if it is needed as reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family. Requests to reschedule a hearing must be made in writing within (5) days prior to the hearing date.

The Housing Authority of the City of Freeport's Grievances Procedures can be found at www.freeporthousing.org/Residents. Go to: **File a Grievance**.

If the tenant fails to appear and was unable to reschedule the hearing in advance, the tenant must contact the HACF within 24 hours of the scheduled hearing date, excluding weekends and holidays. The hearing officer will reschedule the hearing only if the tenant can show good cause for the failure to appear, or it is needed as a reasonable accommodation for a person with disabilities.

“Good cause” is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family.

The Hearing Officer will issue a written decision to the family within ten (10) business days after the hearing. The decision made by the Hearing Officer will be final. The Housing Authority of the City of Freeport reserves the right to overturn the Hearing Officer’s decision only if the decision is contrary to the organization’s written policies.

XI. Assurance of Non-Interference

Assurance of Non-Interference

Participation in the FSS Program is voluntary. A family’s decision on whether to participate in FSS will have no bearing on the Housing Authority of the City of Freeport’s decision of whether to admit the family into its public housing program. The family’s housing assistance will not be terminated based on whether they decide to participate in FSS, their successful completion of the CoP, or on their failure to comply with FSS program requirements.

The Housing Authority of the City of Freeport will ensure that the voluntary nature of FSS program participation is clearly stated in all FSS outreach and recruitment efforts.

XII. Timetable

Timetable

☒ **Option 1:** The Housing Authority of the City of Freeport implemented its FSS program in 2008 and will continue to implement it per this FSS Action Plan.

Because the Housing Authority of the City of Freeports has been challenged by the pandemic and staffing turnover, the PHA will also utilize timeline in Option 2 for implementation of the following within the first 90 days of 2023:

- Follow up and continued recruitment of PCC members.
- Improved outreach efforts to include more social media and group sessions, participant recruitment.
- Participant recruitment will include implementation of the DISC assessment and use of other motivation tools focused on identifying service plan goals, objectives, and timelines.

☐ **Option 2:** The Organization will be implementing its FSS program in the following timeline:

Program Begins

The FSS program will commence operation as soon as the *[organization]* has received notification of HUD’s approval of the Action Plan.

Program Coordinating Committee

Within 90 days after the program begins, a Program Coordinating Committee (PCC) will be formed and will begin meeting. The Committee will continue to meet monthly for the next twelve months. Thereafter, meetings will be quarterly. Additional special meetings will occur as needed.

Outreach

Within 90 days of program launch, outreach efforts will commence, as described above in the Outreach section.

Participant Selection

Candidates who respond to the outreach efforts will be selected in accordance with the selection procedures described above. The first FSS program participants are expected to be enrolled within 120 days of program launch.

Contract Execution

Contracts of Participation will be executed with selected participants on a rolling basis. The first Contracts of Participation are expected to be completed within 6 months of program launch.

Full Enrollment

The FSS program expects to reach full capacity within *[X]* months of program launch. (See discussion above of the number of participants expected to be served. Note that generally for funded programs, the program is required to be serving the minimum number of participants within one year.)

Program Maintenance

The FSS program expects to operate at full capacity thereafter, subject to normal fluctuations related to families leaving and entering the program.

XIII. Reasonable Accommodations, Effective Communications, and Limited English Proficiency

Reasonable Accommodations, Effective Communications and Limited English Proficiency Requirements

Requests for Reasonable Accommodations

A person with disabilities may request reasonable accommodations to facilitate participation in the FSS program. Requests will be considered on a case-by-case basis.

Requests should be made initially to the FSS coordinator. If a family is not satisfied with the FSS Coordinator's response, the family may submit a request in writing in accordance with the agency's reasonable accommodations policy. The policy is available online at www.freeporthousing.org and click *Public Housing Policies and Information—Fair Housing and Reasonable Accommodations*.

Request for Effective Communications

A person with disabilities may request the use of effective communication strategies in order to facilitate participation in the FSS program. Examples include appropriate auxiliary aids and services, such as interpreters, computer-assisted real time transcription (CART), captioned videos with audible video description, visual alarm devices, a talking thermostat, accessible electronic communications and websites, documents in alternative formats (e.g., Braille, large print), or assistance in reading or completing a form, etc.

Requests should be made initially to the FSS coordinator. If a family is not satisfied with the FSS Coordinator's response, the family may submit a request in writing in accordance with the agency's

effective communications policy. The policy is available online at www.freeporthousing.org and click ***Public Housing Policies and Information—Fair Housing and Reasonable Accommodations.***

Limited English Proficiency

The Housing Authority of the City of Freeport will comply with HUD requirements to conduct oral and written communication related to the FSS program in languages that are understandable to people with Limited English Proficiency. For more information, see the Limited English Proficiency policy available online at www.freeporthousing.org and click ***Public Housing Policies and Information—Fair Housing and Reasonable Accommodations.***

XIV. Coordination of Services for PHA's

Coordination of Services

A. Certification of Coordination

Development of the services and activities under the FSS program has been coordinated with programs under title I of the Workforce Innovation and Opportunity Act 29 U.S.C. 3111 et seq., and other relevant employment, childcare, transportation, training, education, and financial empowerment programs in the area. Implementation will continue to be coordinated, in order to avoid duplication of services and activities.

B. Program Coordinating Committee

The principal vehicle for ensuring ongoing coordination of services is the program coordinating committee (PCC), which has been established in accordance with FSS regulations to assist in securing commitments of public and private resources for the operation of the FSS Program. Among other responsibilities, the PCC will help the FSS program to identify and build strong referral relationships with providers of supportive services that meet the needs of FSS participants. The PCC will also be consulted in developing program policies and procedures.

The PCC will meet quarterly and may conduct business on an as-needed basis via email or telephone conferences. The PCC includes the following representatives:

1. One or more FSS Program Coordinators
2. One or more participants from each HUD rental assistance program served by the FSS program.
3. Representatives from a variety of agencies and individuals, which include but are not limited to the following:
 - VOICES
 - Furst Staffing
 - Highland Community College
 - Greater Freeport Partnership
 - US Bank
 - Pretzel City Area Transit
 - Senior Resource Center
 - Illinois Department of Employment
 - Rosecrance
 - Home Start
 - Freeport Township
 - Regional Access Mobilization Program
 - NICCA Head Start
 - FHN Family Counseling
 - YWCA
 - State Bank

XV. Other Policies

Other Policies	
Policy	Where Addressed in Plan
(i) Policies related to the modification of goals in the ITSP;	Section IX Contract of Participation
(ii) The circumstances in which an extension of the Contract of Participation may be granted	Section IX: Contract of Participation
(iii) Policies on the interim disbursement of escrow, including limitations on the use of the funds (if any)	Section VI: FSS Escrow Account and Other Incentives for Participants
(iv) Policies regarding eligible uses of forfeited escrow funds by families in good standing	Section VI: FSS Escrow Account and Other Incentives for Participants
(v) Policies regarding the re-enrollment of previous FSS participants, including graduates and those who exited the program without graduating	Section IV. Family Selection Procedures
(vi) Policies on requirements for documentation for goal completion;	Section IX: Contract of Participation
(vii) Policies on documentation of the household's designation of the "Head of FSS Household;	Section IV. Family Selection Procedures
(viii) Policies for providing an FSS selection preference for porting families (if the PHA elects to offer such a preference)	Section IV: Family Selection Procedures

XVI. Definitions (Except from 24 CFR 984.103)

Definitions

The definitions below are specified in CFR 24 984.103. The terms 1937 Act, Fair Market Rent, Head of Household, HUD, Public Housing, Public Housing Agency (PHA), Secretary, and Section 8, as used in this part, are defined in 24 CFR Part 5.

Certification means a written assertion based on supporting evidence, provided by the FSS family or the Housing Authority of the City of Freeport, as may be required under this part, and which:

- (1) Shall be maintained by the Housing Authority of the City of Freeport in the case of the family's certification, or by HUD in the case of the PHA's or owner's certification.
- (2) Shall be made available for inspection by HUD, the Housing Authority of the City of Freeport, and the public, as appropriate; and,
- (3) Shall be deemed to be accurate for purposes of this part, unless the Secretary or the Housing Authority of the City of Freeport as applicable, determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

Contract of Participation (CoP) means - a contract, in a form with contents approved by HUD, entered between an FSS family and the Housing Authority of the City of Freeport operating an FSS Program that sets forth the terms and conditions governing participation in the FSS Program. The CoP includes all Individual Training and Services Plans (ITSPs) entered between the Housing Authority of the City of Freeport and all members of the family who will participate in the FSS Program, and which plans are attached to the CoP as exhibits. For additional detail, see § 984.303.

Effective date of Contract of Participation (CoP) - means the first day of the month following the date in which the FSS family and the PHA entered the CoP.

Eligible families mean current residents of Public Housing (Section 9) and current Section 8 program participants, as defined in this section, including those participating in other local self-sufficiency programs.

Enrollment means the date that the FSS family entered the CoP with the Housing Authority of the City of Freeport.

Family Self-Sufficiency (FSS) Program means the program established by a PHA within its jurisdiction or by an owner to promote self-sufficiency among participating families, including the coordination of supportive services to these families, as authorized by section 23 of the 1937 Act.

FSS escrow account (or, escrow) means the FSS escrow account authorized by section 23 of the 1937 Act, and as provided by § 984.305.

FSS escrow credit means the amount credited by the Housing Authority of the City of Freeport to the FSS family's FSS escrow account.

FSS family means a family that resides in Public Housing (Section 9) or receives Section 8 assistance or receives HUD Project-Based Rental Assistance for a privately owned property, and that elects to participate in the FSS Program, and whose designated adult member (head of FSS family), as determined in accordance with § 984.303(a), has signed the CoP.

FSS family in good standing means, for purposes of this part, an FSS family that is following their FSS CoP; has either satisfied or are current on any debts owed the Housing Authority of the City of Freeport; and is in compliance with the regulations regarding participation in the relevant rental assistance program.

FSS related service program means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of "supportive services" set forth in this § 984.103.

FSS slots - refers to the total number of families (as determined in the Action Plan and, for mandatory programs, in § 984.105 of this part) that the PHA will serve in its FSS Program.

FSS Program Coordinator means the person(s) who runs the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; goal setting and case management/coaching of FSS participants; working with the community and service partners; and tracking program performance.

FY means Federal Fiscal Year (starting October 1 and ending September 30, and year designated by the calendar year in which it ends).

Head of FSS family means the designated adult family member of the FSS family who has signed the CoP. The head of FSS family may, but is not required to be, the head of the household for purposes of determining income eligibility and rent.

Individual Training and Services Plan (ITSP) means a written plan that is prepared by the Housing Authority of the City of Freeport in consultation with a participating FSS family member (the person with, for, and whom the ITSP is being developed), and which sets forth:

- (1) The final and interim goals for the participating FSS family member.
- (2) The supportive services to be provided to the participating FSS family members.
- (3) The activities to be completed by that family member; and,
- (4) The agreed upon completion dates for the goals and activities.

Each ITSP must be signed by the Housing Authority of the City of Freeport and the participating FSS family member, and is attached to, and incorporated as part of the CoP. An ITSP must be prepared for each adult family member who elects to participate in the FSS Program, including the head of FSS family who has signed the CoP.

Owner means the owner of multifamily assisted housing.

Self-sufficiency means that an FSS family is no longer receiving Section 8, Public Housing assistance, or any Federal, State, or local rent or homeownership subsidies or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS escrow account funds.

Supportive services mean those appropriate services that the Housing Authority of the City of Freeport will coordinate on behalf of an FSS family under a CoP, which may include, but are not limited to:

- (1) *Childcare*—childcare (on an as-needed or ongoing basis) of a type that provides sufficient hours of operation and serves an appropriate range of ages.
- (2) *Transportation*—transportation necessary to enable a participating FSS family member to receive available services, or to commute to their place(s) of employment.
- (3) *Education*—remedial education; education for completion of high school or attainment of a high school equivalency certificate; education in pursuit of a post-secondary degree or certificate.
- (4) *Employment Supports*—job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the CoP.
- (5) *Personal welfare*—substance/alcohol abuse treatment and counseling, and health, dental, mental health and health insurance services.
- (6) *Household management*—training in household management.

(7) *Homeownership and housing counseling*—homeownership education and assistance and housing counseling.

(8) *Financial Empowerment*—training in financial literacy, such as financial coaching, training in financial management, asset building, and money management, including engaging in mainstream banking, reviewing, and improving credit scores, etc.

(9) *Other services*—any other services and resources, including case management, optional services, and specialized services for individuals with disabilities, that are determined to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency. Reasonable accommodations and modifications must be made for individuals with disabilities consistent with HUD requirements, including HUD's legal obligation to make reasonable modifications under Section 504 of the Rehabilitation Act.

Welfare assistance means (for purposes of the FSS program only) income assistance from Federal, (i.e., Temporary Assistance for Needy Families (TANF) or subsequent program) State, or local welfare programs and includes only cash maintenance payments designed to meet a family's ongoing basic needs. Welfare assistance does not include:

(1) Nonrecurrent, short-term benefits that:

- (i) Are designed to deal with a specific crisis or episode of need.
- (ii) Are not intended to meet recurrent or ongoing needs; and,
- (iii) Will not extend beyond four months.

(2) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training).

(3) Supportive services such as childcare and transportation provided to families who are employed.

(4) Refundable earned income tax credits.

(5) Contributions to, and distributions from, Individual Development Accounts under Temporary Assistance for Needy Families (TANF).

(6) Services such as counseling, case management, peer support, childcare information and referral, financial empowerment, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support.

(7) Amounts solely directed to meeting housing expenses.

(8) Amounts for health care.

(9) Supplemental Nutrition Assistance Program and emergency rental and utilities assistance.

(10) Supplemental Security Income, Social Security Disability Income, or Social Security; and

(11) Child-only or non-needy TANF grants made to or on behalf of a dependent child solely based on the child's need and not on the need of the child's current non-parental caretaker.

Appendix D

October 2020

HUD's Special Application Center

Approval of Section 18 Application for

AMP 1 Parkside Apartments



OFFICE OF PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Special Applications Center
77 W. Jackson Blvd., Room 2401
Chicago, Illinois 60604-3507
Phone: (312) 353-6236 Fax: (312) 886-6413

October 22, 2020

Ms. Babette Jamison-Varner
Executive Director
Housing Authority of the City of Freeport
1052 West Galena Avenue
Freeport, IL 61032

Dear Ms. Jamison-Varner:

The Special Applications Center (SAC) of the U.S. Department of Housing and Urban Development (HUD) has reviewed the Housing Authority of the City of Freeport's (HACF) application for the disposition of 2 non-dwelling buildings, 18 dwelling buildings containing 71 dwelling units; and 3.91 acres of underlying land (the property). This property was developed, acquired, or assisted by HACF with funds under the U.S. Housing Act of 1937 (the Act) and is under Parkside Westview Home, IL029000001, in HUD's Inventory Management System/Public and Indian Housing Information Center (IMS/PIC) system. HUD received this application as DDA0010823 on May 19, 2020 via the IMS/PIC system. In accordance with 24 CFR 970.9(a)(17), supplemental information was received through October 5, 2020.

Environmental Review

The HUD Chicago Field Office of Public Housing (Field Office) performed the Environmental Review (ER) in accordance with 24 CFR part 50 on April 2, 2020 for the proposed disposition. HUD found the proposed action compliant with the requirements of 24 CFR part 50.

Civil Rights Compliance Review

HUD's Office of Fair Housing and Equal Opportunity (FHEO) monitors PHA compliance with civil rights requirements through or in connection with HUD programs, including Section 18 disposition. Civil rights requirements include, but are not limited to, those outlined at 24 CFR 5.105(a), Title VI of the Civil Rights Act of 1964 and its implementing regulations at 24 CFR part 1, Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 CFR part 8, as well as Titles II and III of the Americans with Disabilities Act, and Executive Order 11063 and its implementing regulations at 24 CFR part 107. On June 9, 2020, the Region V Chicago HUD Office of FHEO provided a memorandum to the SAC indicating it had reviewed this application and had no objection to SAC approving this application.

PHA Plan

Public Housing Authorities (PHAs) must include proposed dispositions in a PHA Annual Plan, Significant Amendment or MTW Annual Plan. Qualified PHAs, as defined by the Housing and Economic Recovery Act of 2008 (HERA), must discuss the disposition at a public hearing, as required by 24 CFR 903.7. HACF submitted a Significant Amendment to the Annual Plan to the HUD Chicago Field Office on March 4, 2020, which includes a description of the proposed disposition at the property. The HUD Chicago Field Office approved the Significant Amendment to the Annual Plan on May 19, 2020.

Previous Removals at the Development

HACF has not received any HUD approvals for removing property from the development:

Description of Proposed Disposition

HACF proposes the disposition of 2 non-dwellings, 18 dwelling buildings containing 71 dwelling units, and 3.95 acres of underlying land at Parkside Westview Home, IL029000001. Details of the proposed disposition are as follows:

Parkside Westview Home, IL029000001						
DOFA: 01-31-1957						
Bedroom Size	0-BR	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	2	8	34	15	12	71
Proposed Units	2	8	34	15	12	71
Number of Dwelling Buildings Existing						18
Number of Dwelling Buildings Proposed						18
Number of Non-Dwelling Buildings Existing						2
Number of Non-Dwelling Buildings Proposed						2
Number of (Dwelling and Non-Dwelling) ACC Units in PHA's Total Housing Inventory for All Developments						267
Existing Land				3.91 Acres		
Proposed Land				3.91 Acres		
Proposed Building Number Per PIC: Buildings 1 thru 18 (dwelling) and Buildings 79 & 80 (non-dwelling)						

Disposition Justification

HACF proposed the disposition based on the conditions in surrounding area due to health and safety and has justified the disposition of the property in accordance with the specific criteria of 24 CFR 970.17(a) and PIH Notice 2018-04 in the application under PHA Certification in Demolition and Disposition Addendum HUD-52860-A.

The subject property is located in a mapped regulatory floodway of the Pecatonica River. On March 18, 2019, a historic flood crest of 17.26 feet elevation at the gaging station in Freeport took place; it was the highest elevation recorded in 50 years. The flood event resulted in a water level up to finished grade floor elevation surrounding the buildings. The right-of-way of public

streets surrounding the property were inundated, access from and to the site was blocked and there was a visible flow of water around the properties. HACF's maintenance staff constructed a temporary sidewalk bridge structure that was quickly washed away with the current. This area of the floodplain will often carry the flow of flood waters and is usually the area of greatest risk to structures within the floodplain. The March 18th historic flood event demonstrated the risks imposed on Parkside Homes and the HACF recognizes the immediate need for tenants to be relocated.

The Department concurs that the disposition is justified based on the conditions in the surrounding area due to health and safety risk to the residents.

Property Valuation

In accordance with 24 CFR 970.19(c), HACF procured an appraisal of the property. Anthony Aris, CGA, an independent appraiser, estimated the Fair Market Value (FMV) of the property to be \$0, as of September 16, 2020. An executive summary of the appraisal was included in the application.

Method of Disposition and Use of Gross Proceeds

HACF proposed the disposition via public bid at or above FMV. HACF will not realize any proceeds from this disposition.

Relocation

When the application was originally submitted to the Department, 53 units proposed for disposition were occupied. HACF certified that it will comply with all applicable relocation requirements of 24 CFR 970.21 and all applicable civil rights requirements.

HACF indicated it planned to offer displaced residents other public housing units within HACF or housing choice vouchers. HACF is requesting 71 tenant protection vouchers (TPVs) from HUD based on this approval to assist in relocating residents. HACF indicated it would provide displaced residents with the following counseling and advisory services: HACF staff will be providing counseling and advisory services for the residents of Parkside Homes. The services will include assistance with accessing and addressing individual and family needs such as identifying challenges to relocating to their new homes, support with eligible moving and relocation expenses as determined by HUD and advisory services as appropriate, including counseling and referrals to suitable, decent, and safe housing. HACF estimated the relocation cost to be \$38,743, which includes moving expenses and counseling/advisory services. HACF indicated that it planned to use Capital Funds from FY 2018 for relocation expenses.

HACF is a Public Housing only PHA and has no Section 8 HCV program. HUD is not creating new Section 8 Housing Choice Voucher (HCV) agencies to administer TPVs that may be available based on a disposition approval. Therefore, HACF must partner with a Section 8 HCV agency to administer the TPVs. The HUD Chicago Field Office has approved Winnebago County HA, IL083 as the PHA that will administer the TPVs that may be available based on this approval (see TPV section).

Resident Consultation

24 CFR 970.9(a) requires that a PHA consult with residents who will be affected by a proposed disposition, any resident organizations for the development, PHA-wide resident organizations that will be affected by the disposition, and the Resident Advisory Board (RAB). The PHA must also submit copies of any written comments submitted to the PHA and any evaluation that the PHA has made of the comments.

1. Project(s) Specific Resident Organization(s): None
2. PHA-wide Resident Organization: None
3. Resident Advisory Board (RAB) in accordance with 24 CFR 903.13: RAB

24 CFR 970.9(a) requires that an application for disposition be developed in consultation with residents who will be affected by the proposed action, any resident organizations for the development, PHA-wide resident organizations that will be affected by the disposition, and the Resident Advisory Board (RAB). The PHA must also submit copies of any written comments submitted to the PHA and any evaluation that the PHA has made of the comments.

HACF conducted meetings with residents to discuss the proposed action on September 13, 2019; January 24, 2020; February 21, 2020; and March 6, 2020. HACF explained to the residents that the options are either to relocate to another public housing unit within HACF or receive a TPV which can be used anywhere in the United States. No residents showed any objections to the disposition due to the flooding conditions. The questions asked were about the timing and the options and the deposits to be paid for those getting TPVs, and they were all answered properly by HACF staff. HACF provided meeting sign-in sheets with the application.

Offer for Sale to the Resident Organization

24 CFR 970.9(b) (1) of the regulation requires that a public housing agency offer the opportunity to purchase the property proposed for disposition to any eligible resident organization, eligible resident management corporation as defined in 24 CFR part 964, or to a nonprofit organization acting on behalf of the residents, if the resident entity has expressed an interest in purchasing the property for continued use as low-income housing. HACF has chosen not to provide an opportunity based on the exception found in 24 CFR 970.9(b)(3). The property is located in a floodway and it is not safe to be used for residential purposes. HUD concurs with HACF's determination that it has complied with the requirements of 24 CFR 970.9.

Mayor/Local Government Consultation and Board Resolution

As part of the consultation process, HACF met with Mayor Jodi Miller and City Manager Lowell Crow, along with other city officials on June 30, September 23, and November 4, 2019 and discussed the flood issues and the potential purchase of Parkside Homes by the City. As required by 24 CFR 970.7(a)(14), the application package includes a letter of support from the Honorable Jodi Miller, Mayor of the City of Freeport, dated April 9, 2020. The last resident

consultation was on March 6, 2020. As required by 24 CFR 970.7(a)(13), HACF's Board of Commissioners approved the submission of the disposition application for the proposed property on May 5, 2020, via Resolution Number 052020-01.

Energy Performance Contract (EPC) and Capital Fund Financing Program (CFFP)

HACF has an approved EPC. On October 21, 2020, the Chicago OPH confirmed that all EPC issues have been addressed. As of October 21, 2020, HACF did not have HUD approval of a Capital Fund Financing Program (CFFP) proposal.

Tenant Protection Vouchers (TPVs)

Applicable appropriations law and HUD guidance provide that PHAs may be eligible to receive TPVs for dispositions of public housing units that temporarily or permanently remove units from a PHA's public housing inventory and distinguishes TPVs into two classes:

- **Relocation TPVs:** HUD provides relocation TPVs in cases where the public housing units will be replaced in connection with the disposition. Relocation TPVs assist PHAs with relocating residents and must be offered to displaced residents. Relocation TPVs cannot be reissued by the PHA after the initial resident that received the TPV ends participation in the program. Based on current appropriations law and HUD policy, the maximum number of relocation TPVs that a PHA is eligible to receive is based occupancy of units on the day of the disposition approval. The PHA's maximum relocation TPV award identified below.
- **Replacement TPVs:** HUD provides replacement TPVs in cases where the public housing will not be replaced in connection with the disposition and become part of the PHA's permanent HCV program. Replacement TPVs must be used first to assist displaced residents. Any remaining replacement TPVs can then be issued to families on its waiting list and/or project-based in accordance with all applicable Section 8 rules. Based on current appropriations law and HUD policy, the maximum number of replacement TPVs that a PHA is eligible to receive is currently based on units that were occupied within 24 months of day the disposition application is approved by HUD. A PHA's replacement TPV award will not change from the maximum award identified below unless its redevelopment plans change, and it decides to develop replacement public housing units in connection with the disposition. HACF must keep HUD updated on any changes and submit a request to amend this approval if it's redevelopment plan change.

On the date of this approval, 45 units are occupied, and 26 vacant units were occupied within the previous 24 months. HACF does not intend to redevelop any public housing units at the property. Based on this, HACF is eligible for maximum TPVs as follows:

Type of TPVs	Relocation TPVs	Replacement TPVs
Maximum TPV Award	0	71

HUD will not automatically issue TPVs to HACF as part of this approval. Instead, HACF must apply to HUD separately for TPVs in accordance with PIH Notice 2018-09 (or any

successor notice). HACF cannot submit the TPV request until it needs the TPVs for purposes of relocating the residents who will be displaced (generally no sooner than 30-60 days from the planned start of relocation). The timing of HACF's TPV application submission and the start of relocation noted in this approval should be consistent.

As part of its TPVs request, HACF must submit the following to the HUD Chicago Field Office:

- a) The name and IMS/PIC application number of the public housing project in this disposition approval;
- b) The number of TPVs requested (subject to the limitations above);
- c) Form HUD-52515 (Voucher Funding Application). If lease-up will cover more than one calendar year, HACF must submit a separate Form HUD-52515 for each calendar year;
- d) A leasing schedule that identifies the number of TPVs to be leased on a month-to-month basis. If lease-up will cover more than one calendar year, HACF must submit separate leasing schedules for each calendar year.
- e) A copy of this approval (PDF version - signed and dated); and
- f) Since HUD's records indicate HACF is a Public Housing only PHA and therefore cannot receive or administer TPVs. Winnebago County HA, IL083, has agreed to administer the TPVs in connection with the disposition, along with a letter of agreement from WCHA. HUD does not allow Public Housing only PHAs to create Section 8 HCV programs based solely on TPV eligibility of an approved disposition application. Thus, please include a letter of agreement from WCHA that has agreed to administer the TPVs.

The HUD Chicago Field Office will conduct a threshold review of the TPV request prior to sending the request to HUD's Financial Management Center (FMC) for a final determination and processing. HUD's FMC will notify PHAs in writing of their final TPV award.

Approval

HUD's review of the application has determined that the proposed disposition is consistent with Section 18 of the 1937 Act the implementing regulations at 24 CFR part 970, and PIH Notice 2018-04. HUD hereby approves the application as summarized below:

Parkside Homes, IL029000001	
Approved for Disposition: Buildings: 20; Units: 71; Acres: 3.91	
Acquiring Entity	Open market
Acquiring Method	Sale at FMV
Terms	\$0 or higher

Conditions

- Any conveyance of the property must include a deed restriction stipulating that, due to location in a floodway, the property will not be used for residential housing.
- HACF will apply for TPVs upon commencement of the resident relocation process (generally no sooner than 30-60 days from the planned start of relocation) before the

property is conveyed pursuant to the timetable as identified under “**PIC and Monitoring – HACF**” section.

- Notwithstanding this approval, the PHA shall not convey the property proceed to enter into any long-term ground lease or disposition agreement until all residents have been relocated.

Other Requirements

HUD reminds HACF that pursuant to 24 CFR 970.21(c)(2), if any of the following types of federal financial assistance is used in connection with the disposition of public housing, the project is subject to section 104(d) of the Housing and Community Development Act of 1974, 42 U.S.C. 5304(d) (as amended), including the relocation payment provisions and the anti-displacement provisions, which require that comparable replacement dwellings be provided within the community for the same number of occupants as could have been housed in the occupied and vacant, occupiable low- and moderate-income units converted to another use:

- Community Development Block Grant (CDBG) program, 42 U.S.C. 5301 et seq. (including loan guarantees under section 108 of the Housing and Community Development Act of 1974, 42 U.S.C. 5308 et seq.); or
- HOME program, 42 U.S.C. 12701 et seq.

Please contact the HUD Chicago Field Office or your HUD Regional Relocation Specialist for additional guidance, if applicable.

Operating Subsidy

Please be aware that in accordance with 24 CFR part 990 (or an MTW Agreement), the disposition of the property will affect HACF’s operating subsidy. Please contact the HUD Chicago Field Office for additional guidance.

PIC and Monitoring - HACF

In accordance with 24 CFR 970.7(a)(4), HACF provided the following general timetable based on the number of days major actions will occur following approval of the application:

	Milestone	Number of Days after Approval
A	Begin relocation of residents	90
B	Complete relocation of residents	504
C	Execution of contract for removal (e.g. sales contract or demolition contract)	530
D	Actual Removal Action (e.g. demolition or sale closing)	600

- HUD recognizes that a PHA’s plans to start relocation sometimes change. However, because the Department relies on this information to determine Operating Funds subsidy, PHAs are

responsible for ensuring the days to relocation information in a SAC application is reasonably accurate. If days to relocation in a SAC application is not reasonably accurate, asset repositioning fee (ARF) payments under 24 CFR 990.190 may begin prematurely and a PHA may receive less Operating Fund subsidy than it otherwise would be entitled to receive. A PHA may even find itself in a situation where it is operating public housing units without any Operating Fund subsidy. Therefore, it is essential that PHAs make timely requests to the Department for any necessary modifications to the days to relocation in a SAC application. Note that after the Operating Fund subsidy revisions deadline in the first year of ARF eligibility, no further changes to the days to relocation in an approved SAC application or HUD-52723 can be made.

- If HACF becomes aware that the days to begin relocation information (noted in Field A above table - Begin relocation of residents) is not reasonably accurate, HACF must send an email to the Director of HUD Chicago Field Office within five business days, with a copy to the HUD PIH staff member assigned to the PHA using the following Subject *"PHA Code, SAC application DDA Number, Modification to Days to Relocation"*. HACF must include the new estimated number for the days to relocation, along with a brief explanation of the reason for the modification. HUD Chicago Field Office will review the request to ensure it is reasonable/it has no information that is inconsistent with the request (e.g. information from residents that relocation has started) and that the new estimated days to relocation is not past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility. If HACF's request is acceptable, SAC will modify the days to relocation in the SAC application in IMS/PIC and email the PHA notifying it that it has made the change. SAC processes these modifications as technical corrections and will not issue a formal written amendment to this approval. If HACF's request is not acceptable (e.g. the requested new days to relocation is past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility), Chicago Field Office will deny the request in writing. HACF must keep adequate records of all relocations (including actual relocation start dates) for purposes of HUD monitoring.
- In accordance with 24 CFR 970.35 of the regulation, your agency is required to inform the HUD Chicago Field Office of the status of the project (i.e., delays, actual disposition, modification requests or other problems). Within seven days of disposition completion, HACF must enter the "actual" dates of disposition, directly into the IMS/PIC data system, Inventory Removals sub-module under "Removed from Inventory" tab for the HUD Chicago Field Office approval, using the following procedure:
 - On the screen, select the appropriate "Development Number", then select "Add Transaction". On the next screen, select the appropriate "Application Number" from the drop-down menu. In the "Action/Closing Date" box, enter the removal date. If the properties in an application were removed on multiple dates, a separate transaction is needed for each action date. The remaining steps are as applicable.
 - If removal is by building(s), use "Remove Residential Inventory By Building" section, select the appropriate building(s) available in the "Complete Buildings Available" box and transfer them to the "Proposed Buildings" box.
 - For removal of some units in a building, use "Remove Residential Inventory By Unit" section. To select the appropriate unit(s) available, use the drop-down "Select the building number" box which populates the "Units Available" box. Transfer the

- appropriate units to the "Proposed Units" box.
 - For removal of land and non-dwelling buildings without PIC building numbers, use "Remove Non-Residential Inventory" section. Fill in the number of acres and non-dwelling buildings without PIC building numbers.
 - Save the information using the "Save" button. The status of this information is then displayed as "Draft."
 - HACF supervisory staff submits the information to HACF Executive Director, or the designated final reviewer at HACF, using the Submission sub tab. The status becomes "Submitted for Review".
 - HACF Executive Director or designee uses the Review sub tab to reject the transaction, which places it in a "Rejected" status, or approves, which places it in a "Submitted for Approval" status.
 - If the submission is rejected by HUD, HACF may modify the information by repeating the previous procedure. If the transaction is rejected, the status becomes "Rejected." If the HUD Chicago Field Office approves the transaction, the status in IMS/PIC permanently changes to "Removed from Inventory (RMI)".
- When the disposition is completed in its entirety, please submit a report to the HUD Chicago Field Office confirming the action and certifying compliance with all applicable requirements. Auditable financial statements, expenditures and files for each transaction relative to the action must be maintained, available upon request and forwarded with the final report.
- HACF must retain records of the SAC application and its implementing actions of HUD's approval of this SAC application for a period of not less than three years following the last required action of HUD's approval.
- HACF is responsible for monitoring and enforcing use restrictions identified under "Conditions" section during the period they are in effect.

PIC and Monitoring – Field Office

In accordance with 24 CFR 970.35 of the regulation, HACF is required to inform the HUD Chicago Field Office of the status of the project (i.e., delays, actual disposition, modification requests or other problems). It is the HUD Chicago Field Office's responsibility to monitor this activity based on its latest risk assessment.

- The HUD Chicago Field Office must review the relocation change request submitted by HACF, within 10 business days, to ensure it is reasonable/it has no information that is inconsistent with the request (e.g. information from residents that relocation has started) and that the new estimated days to relocation is not past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility.
- If HACF's request is not acceptable (e.g. the requested new days to relocation is past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility), the HUD Chicago Field Office will deny the request in writing.
 - If HACF's request is acceptable, notify SACTA@hud.gov via an email. The SAC will modify the days to relocation in the SAC application in IMS/PIC and email

HACF notifying that change has been made.

- The HUD Chicago Field Office must verify that the actual removal data is entered in IMS/PIC by HACF within seven days of disposition to ensure the Department is not overpaying operating subsidy and the Capital Fund formula data is correct.
 - When HACF submits an Inventory Removal action in IMS/PIC, the HUD Chicago Field Office will be notified seeking inventory removal approval via a PIC system generated email to the HUDChicago Field Office designated PIC coach or another person. Below is a sample notification email: *"Subject: Inventory Removal Submittal Notification (HA code) Inventory removals have been submitted for approval by your office on [submission date] by [HA Code]."*
 - When the above email is received, the HUD Chicago Field Office is responsible for the review and approval or rejection of HACF's Inventory Removal submission within seven days.
- The HUD Chicago Field Office will conduct a threshold review of the TPV request prior to sending the request to HUD's Financial Management Center (FMC) for a final determination and processing.
- The HUD Chicago Field Office, with concurrence from the HUD Office of the General Counsel (OGC) must approve the evidentiary documents, terms and conditions in the conveyance of real property, whether in whole or in part, described in this approval. If there are previous land and/or use agreements or encumbrances, other than the Declaration of Trust (DOT), disposition approval and release of the DOT does not circumvent or supersede those obligations.

When an amendment to this approval needed, PHAs must comply with all material terms of the SAC application. If after receiving HUD approval, a PHA's plan changes on material terms, SAC approval of the change is required. Material terms include (i) method of disposition; (ii) public bid sale where offer is less than 80 percent of FMV appraisal submitted in the SAC application. PHA's request for change in FMV, must include narratives on its due diligence in offering the public housing property for sale on the open and competitive market and its rationale for accepting an offer that is less than 80 percent of appraised FMV. Alternatively, the PHA may submit an updated appraisal); (iii) terms of commensurate public benefit disposition (the PHA must describe the revised future use of the property so HUD can confirm the commensurate public benefit); and (iv) use of proceeds. PHAs request amendments by sending an email to SACTA@hud.gov with the information noted above and a board resolution approving the change. On a case-by-case basis, SAC may require additional supporting documentation to support an amendment (e.g., evidence of local government and/or resident consultation; confirmation of environmental clearance etc.).

The HUD Chicago Field Office has been informed of this approval. Its staff is available to provide any technical assistance necessary for your agency to proceed with the disposition. As HACF starts the process of implementation, I urge you to continue to maintain an open dialogue with your residents and local officials. If you have to modify your plans, please contact the SAC at SACTA@hud.gov. As always, my staff and I are available to assist you in any way possible.

Sincerely,

**JANE
HORNSTEIN**

Jane B. Hornstein
Director

Digitally signed by: JANE HORNSTEIN
DN: CN = JANE HORNSTEIN C = US
O = U.S. Government OU = Department
of Housing and Urban Development,
Office of Public and Indian Housing
Date: 2020.10.22 16:26:01 -05'00'

CC: Chicago OPH

Appendix E

HUD Special Application Center

July 1, 2022 Approval of Section 18 Application for

AMP II Westview 18 Obsolete Units



OFFICE OF PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Special Applications Center
77 W. Jackson Blvd., Room 2401
Chicago, Illinois 60604-3507
Phone: (312) 353-6236 Fax: (312) 913-8892

July 1, 2022 –
Corrected July 5, 2022

Ms. Babette Jamison-Varner
Executive Director
Housing Authority of the City of Freeport
1052 West Galena Avenue
Freeport, IL 61032

Dear Ms. Jamison-Varner:

The Special Applications Center (SAC) of the U.S. Department of Housing and Urban Development (HUD) has reviewed the Housing Authority of the City of Freeport's (HACF) application for the demolition of 3 dwelling buildings containing 18 dwelling units (the property). This property was developed, acquired, or assisted by HACF with funds under the U.S. Housing Act of 1937 (the Act) and is under Parkside Westview Home, IL029000002, in HUD's Inventory Management System/Public and Indian Housing Information Center (IMS/PIC) system. HUD received this application as DDA0011333 on January 5, 2022, via the IMS/PIC system. In accordance with 24 CFR 970.9(a)(17), supplemental information was received through May 11, 2021.

Environmental Review

The HUD Chicago Field Office of Public Housing (Field Office) performed the Environmental Review (ER) in accordance with 24 CFR part 50 on September 7, 2021, for the proposed demolition. HUD found the proposed action compliant with the requirements of 24 CFR part 50.

Civil Rights Compliance Review

HUD's Office of Fair Housing and Equal Opportunity (FHEO) monitors PHA compliance with civil rights requirements through or in connection with HUD programs, including Section 18 demolition. Civil rights requirements include, but are not limited to, those outlined at 24 CFR 5.105(a), Title VI of the Civil Rights Act of 1964 and its implementing regulations at 24 CFR part 1, Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 CFR part 8, as well as Titles II and III of the with Disabilities Act, and Executive Order 11063 and its implementing regulations at 24 CFR part 107. On January 20, 2022, the Region V Chicago HUD Office of FHEO provided a memorandum to the SAC indicating it had reviewed this application and had no objection to SAC approving this application.

PHA Plan

Public Housing Authorities (PHAs) must include proposed demolition in a PHA Annual Plan, Significant Amendment or MTW Annual Plan. Qualified PHAs, as defined by the Housing and Economic Recovery Act of 2008 (HERA), must discuss the demolition at a public hearing, as required by 24 CFR 903.7. HACF submitted a Significant Amendment to the Annual Plan to the HUD Chicago Field Office on January 20, 2021, which includes a description of the proposed demolition at the property. The HUD Chicago Field Office approved the Significant Amendment to the Annual Plan on January 20, 2021.

Previous Removals at the Development

HACF has received the following previous HUD approval for removing property from the development:

PIC Application	Removal Type	Units Approved	Acres Approved	Date of Approval
DDA0010823	Disposition	71	3.91	10-22-20

Description of Proposed Demolition

HACF proposes the demolition of 3 dwelling buildings containing 18 dwelling units at Parkside Westview Home, IL029000002. Details of the proposed demolition are as follows:

Parkside Westview Home, IL029000002						
DOFA: 12-04-1960						
Bedroom Size	0-BR	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	16	54	38	64	28	196
Proposed Units	0	6	0	12	0	18
Number of Dwelling Buildings Existing						48
Number of Dwelling Buildings Proposed						3
Number of Non-Dwelling Buildings Existing						4
Number of Non-Dwelling Units Proposed						0
Number of (Dwelling and Non-Dwelling) ACC Units in PHA's Total Housing Inventory for All Developments						267
Proposed Building Number Per PIC:						
031, 033, 034						

Reason for Action (Justification)

HACF proposed the demolition based on 24 CFR 970.15 and has certified in the application under PHA Certification in Demolition and Disposition Addendum HUD-52860-A that the property proposed for demolition is obsolete as to physical condition, and certified that the proposed development (units or other property) meets the obsolescence criteria of 24 CFR

970.15 and PHI Notice 2021-07, as described in this SAC application. HACF further certified that such obsolescence makes the units proposed for demolition unsuitable for housing purposes.

The property proposed for demolition was built in 1952 and has undergone very little modernization or rehabilitation since its construction. In September 2020, HACF partnered with an architect firm to conduct a physical needs assessment. The report revealed deteriorated condition of multiple building systems as well as functional obsolescence, significant deficiencies, deferred maintenance items, and material code violations at the property. The buildings' topography and foundation had showed evidence of structural distress and the ground surrounding the buildings was noted to be unstable.

The Total Development Cost (TDC) limit for the units proposed for demolition is calculated below. The Department used the TDC applicable at the time of submission of this demolition application.

TDC per Notice PIH-2021-07; Year: 2020 Type of Structure: Row Dwelling; Area: Rockford, IL			
Bedroom Size	Number of Unit	TDC/Unit	Total Cost
1-BR	6	\$221,148	\$1,326,888
3-BR	12	\$327,546	\$3,930,552
TOTAL	18		\$5,257,440

HACF initially provided an estimate of itemized rehabilitation costs, based upon the existing conditions of the units, which is included in Exhibit - A at the end of this document. SAC made some adjustments to the items and amounts included, which are also shown on Exhibit - A. HACF originally estimated a total of \$3,468,359 in rehabilitation costs. After the SAC adjustments, rehabilitation is estimated to cost \$3,156,983 which is 60.05% of the TDC limit.

The Department concurs with HACF's determination that the property proposed for demolition is obsolete as to physical condition and other factors, and certified that the proposed development (units or other property) meets the obsolescence criteria of 24 CFR 970.15 as specifically described in this SAC application.

Relocation

When the application was originally submitted to the Department, 3 units proposed for demolition were occupied. HACF certified that it would comply with all applicable relocation requirements of 24 CFR 970.21 and all applicable civil rights requirements. HACF indicated it planned to offer displaced residents the following forms of comparable housing: public housing units and housing choice vouchers. HACF estimated the relocation cost to be \$1,890, which includes moving expenses and counseling/advisory services. HACF indicated that it planned to use Capital Fund from FY2021 to cover relocation costs.

Future Use of Property

HACF has indicated that, after demolition, it intends to use the vacant land for the development of additional parking and green space.

Demolition Cost

The application states that it will cost approximately \$180,000 to demolish the property. HACF plans to use FY2022 funds from the Capital Fund to cover the cost of demolition.

Resident Consultation

1. Project Specific Resident Organization: None
2. PHA-wide Resident Organization: New Horizon Resident Council) None
3. Resident Advisory Board (RAB) in accordance with 24 CFR 903.13: RAB

24 CFR 970.9(a) requires that an application for demolition be developed in consultation with residents who will be affected by the proposed action, any resident organizations for the development, PHA-wide resident organizations that will be affected by the demolition, and the Resident Advisory Board (RAB). The PHA must also submit copies of any written comments submitted to the PHA and any evaluation that the PHA has made of the comments.

Resident consultation began on November 20-30, 2020, with email and text message invitations to an upcoming meeting. HACF held a meeting on December 1, 2020, to discuss the demolition of the Parkside Westview Home buildings. The meeting was held via conference call due to COVID-19. Included in the application were call log sheets, reply cards from residents to acknowledge receipt of demolition information, and the resident memo/summary letter.

Mayor/Local Government Consultation and Board Resolution

As required by 24 CFR 970.7(a)(14), the application package includes a letter of support from the Honorable Jodi Miller, Mayor of the City of Freeport, dated December 11, 2020. The last resident consultation was on December 1, 2020. As required by 24 CFR 970.7(a)(13), HACF's Board of Commissioners approved the submission of the demolition application for the proposed property on December 16, 2020, via Resolution Number 12202-01.

Energy Performance Contract (EPC) and Capital Fund Financing Program (CFFP)

HACF has an approved EPC. On October 21, 2020, the Chicago OPH confirmed that all EPC issues have been addressed. As of June 23, 2022, HACF did not have HUD approval of a Capital Fund Financing Program (CFFP) proposal.

Tenant Protection Vouchers (TPVs)

The date of this approval determines HACF's maximum TPV eligibility for TPVs based on the 24-month look-back period in current appropriations laws. However, this approval does not determine HACF's actual TPV award. Rather, HACF's actual TPV award is based on the HCV Funding Notice in effect at time HACF submits its TPV application (HUD-52515) and the availability of TPV funding. The current HCV funding notice is PIH Notice 2022-14.

On the date of this approval, 3 units are occupied, and 1 unit was occupied within the previous 24 months. HACF does not intend to redevelop any public housing units at the property. Based on this, the HACF, through an agreement with a Voucher Agency, may be eligible for maximum TPVs

Type of TPVs	Relocation TPVs	Replacement TPVs
	0	4

HUD will not automatically issue TPVs to the voucher agency that HACF partners with (administrator) as part of this approval. Instead, the administrator must apply to HUD separately for TPVs in accordance with PIH Notice 2022-14 (or any successor notice). The administrator cannot submit the TPV request until it needs the TPVs for purposes of relocating the residents who will be displaced (generally no sooner than 30-60 days from the planned start of relocation). The timing of the administrators' s TPV application submission and the start of relocation noted in this approval should be consistent. The application materials indicate that the TPVs will be administered by Menard County Housing Authority (MCHA).

As part of its TPV request, HACF/MCHA must submit the following to the Field Office:

- The name and IMS/PIC application number of the public housing project in this demolition approval.
- The number of TPVs requested (subject to the limitations above);
- Form HUD-52515 (Voucher Funding Application). If lease-up will cover more than one calendar year, HACF/MCHA must submit a separate Form HUD-52515 for each calendar year;
- A leasing schedule that identifies the number of TPVs to be leased on a month-to-month basis. If lease-up will cover more than one calendar year, HACF/MCHA must submit separate leasing schedules for each calendar year;
- A copy of this approval (PDF version - signed and dated); and
- Since HUD's records indicate MCHA is a Public Housing only PHA and therefore cannot receive or administer TPVs. Provide the name and PHA code of the PHA

(County or State, if possible) that has agreed to administer the TPVs in connection with the demolition, along with a letter of agreement from that PHA. HUD does not allow Public Housing only PHAs to create Section 8 HCV programs based solely on TPV eligibility of an approved demolition application. If the PHA needs assistance in identifying a PHA with a Section 8 HCV program that it can partner with, it should reach out to its Field Office. TPVs will be administered by Menard County Housing Authority, IL028

The HUD Chicago Field Office will conduct a threshold review of the TPV request prior to sending the request to HUD's Financial Management Center (FMC) for a final determination and processing. HUD's FMC will notify PHAs in writing of their final TPV award.

Approval

HUD's review of the application has determined that the proposed demolition is consistent with Section 18 of the 1937 Act, the implementing regulations at 24 CFR part 970, and PIH Notice 2021-07. HUD hereby approves the application as summarized below:

Parkside Westview Home, IL029000002						
Bedroom Size	0-BR	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	16	54	38	64	28	196
Approved Units	0	6	0	12	0	18
Number of Dwelling Buildings Existing						48
Number of Dwelling Buildings Approved						18
Number of Non-Dwelling Buildings Existing						4
Number of Non-Dwelling Units Proposed						0
Approved Building Number Per PIC: 031, 033, 034						

Conditions

HACF/MCHA will apply for TPVs upon commencement of the resident relocation process (generally no sooner than 30-60 days from the planned start of relocation) before the property is conveyed pursuant to the timetable as identified under "**PIC and Monitoring – HACF**" section.

Other Requirements

The Department reminds HACF that pursuant to 24 CFR 970.21(c)(2), if any of the following types of federal financial assistance is used in connection with the demolition of public housing, the project is subject to section 104(d) of the Housing and Community Development Act of 1974, 42 U.S.C. 5304(d) (as amended), including the relocation payment provisions and the anti-displacement provisions, which require that comparable replacement dwellings be

provided within the community for the same number of occupants as could have been housed in the occupied and vacant, occupiable low- and moderate-income units:

- Community Development Block Grant (CDBG) program, 42 U.S.C. 5301 et seq. (including loan guarantees under section 108 of the Housing and Community Development Act of 1974, 42 U.S.C. 5308 et seq.); or
- HOME program, 42 U.S.C. 12701 et seq.

Please contact the HUD Chicago Field Office Please contact the or your HUD Regional Relocation Specialist for additional guidance, if applicable.

Operating Subsidy

Please be aware that in accordance with 24 CFR 990 (or an MTW Agreement), the demolition of the property will affect HACF's operating subsidy eligibility. Please contact your Portfolio Manager at the HUD Chicago Field Office for additional guidance.

PIC and Monitoring -HACF

In accordance with 24 CFR 970.7(a)(4), HACF provided the following general timetable based on the number of days major actions will occur following approval of the application:

	Milestone	Number of Days after Approval
A	Begin relocation of residents	90
B	Complete relocation of residents	120
C	Execution of contract for removal (demolition contract)	150
D	Actual Removal Action (demolition)	240

- HUD recognizes that a PHA's plans to start relocation sometimes change. However, because the Department relies on this information to determine Operating Funds subsidy, PHAs are responsible for ensuring the days to relocation information in a SAC application is reasonably accurate. If days to relocation in a SAC application is not reasonably accurate, asset repositioning fee (ARF) payments under 24 CFR 990.190 may begin prematurely and a PHA may receive less Operating Fund subsidy than it otherwise would be entitled to receive. A PHA may even find itself in a situation where it is operating public housing units without any Operating Fund subsidy. Therefore, it is essential that PHAs make timely requests to the Department for any necessary modifications to the days to relocation in a SAC application. Note that after the Operating Fund subsidy revisions deadline in the first year of ARF eligibility, no further changes to the days to relocation in an approved SAC application or HUD-52723 can be made.
- If HACF becomes aware that the days to begin relocation information (noted in Field A above table - Begin relocation of residents) is not reasonably accurate, HACF must send an

email to the Director of the HUD Chicago Field Office within five business days, with a copy to the HUD PIH staff member assigned to the PHA using the following Subject "*PHA Code, SAC application DDA Number, Modification to Days to Relocation*". HACF must include the new estimated number for the days to relocation, along with a brief explanation of the reason for the modification. The HUD Chicago Field Office will review the request to ensure it is reasonable/it has no information that is inconsistent with the request (e.g. information from residents that relocation has started) and that the new estimated days to relocation is not past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility. If HACF's request is acceptable, SAC will modify the days to relocation in the SAC application in IMS/PIC and email the PHA notifying it that it has made the change. SAC processes these modifications as technical corrections and will not issue a formal written amendment to this approval. If HACF's request is not acceptable (e.g. the requested new days to relocation is past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility), the HUD Chicago Field Office will deny the request in writing. HACF must keep adequate records of all relocations (including actual relocation start dates) for purposes of HUD monitoring.

- In accordance with 24 CFR 970.35 of the regulation, your agency is required to inform the HUD Chicago Field Office of the status of the project (i.e., delays, actual demolition, modification requests or other problems). Within seven days of paying the final demolition contractors bill, HACF must enter the "actual" dates of demolition directly into the IMS/PIC data system, Inventory Removals sub-module under "Removed from Inventory" tab for the HUD Chicago Field Office approval, using the following procedure:
 - On the screen, select the appropriate "Development Number", then select "Add Transaction". On the next screen, select the appropriate "Application Number" from the drop-down menu. In the "Action/Closing Date" box, enter the removal date. If the properties in an application were removed on multiple dates, a separate transaction is needed for each action date. The remaining steps are as applicable:
 - If removal is by building(s), use "Remove Residential Inventory By Building" section, select the appropriate building(s) available in the "Complete Buildings Available" box and transfer them to the "Proposed Buildings" box.
 - For removal of some units in a building, use "Remove Residential Inventory By Unit" section. To select the appropriate unit(s) available, use the drop-down "Select the building number" box which populates the "Units Available" box. Transfer the appropriate units to the "Proposed Units" box.
 - For removal of land and non-dwelling buildings without PIC building numbers, use "Remove Non-Residential Inventory" section. Fill in the number of acres and non-dwelling buildings without PIC building numbers.
 - Save the information using the "Save" button. The status of this information is then displayed as "Draft."
 - HACF supervisory staff submits the information to HACF Executive Director, or the designated final reviewer at HACF, using the Submission sub tab. The status becomes "Submitted for Review"
 - HACF Executive Director or designee uses the Review sub tab to reject the transaction, which places it in a "Rejected" status, or approves, which places it

in a "Submitted for Approval" status.

- If the submission is rejected by HUD, HACF may modify the information by repeating the previous procedure. If the transaction is rejected, the status becomes "Rejected." If the HUD Chicago Field Office approves the transaction, the status in IMS/PIC permanently changes to "Removed from Inventory (RMI)".
- When the demolition is completed in its entirety, please submit a report to the HUD Chicago Field Office confirming the action and certifying compliance with all applicable requirements. Auditable financial statements, expenditures and files for each transaction relative to the action must be maintained, available upon request and forwarded with the final report.
- HACF must retain records of the SAC application and its implementing actions of HUD's approval of this SAC application for a period of not less than three years following the last required action of HUD's approval.

PIC and Monitoring – Field Office

In accordance with 24 CFR 970.35 of the regulation, PHA is required to inform the HUD Chicago Field Office of the status of the project (i.e., delays, actual demolition, modification requests or other problems). It is the Chicago Field Office's responsibility to monitor this activity based on its latest risk assessment.

- The HUD Chicago Field Office must review the relocation change request submitted by HACF, within 10 business days, to ensure it is reasonable/it has no information that is inconsistent with the request (e.g. information from residents that relocation has started) and that the new estimated days to relocation is not past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility.
 - If HACF's request is not acceptable (e.g. the requested new days to relocation is past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility), the HUD Chicago Field Office will deny the request in writing.
 - If HACF's request is acceptable, notify SACTA@hud.gov via an email. The SAC will modify the days to relocation in the SAC application in IMS/PIC and email HACF notifying that change has been made.
- The HUD Chicago Field Office must verify that the actual data is entered in IMS/PIC by HACF within seven days of demolition and final payment to ensure the Department is not overpaying operating subsidy and the Capital Fund formula data is correct.
 - When the PHA submits an Inventory Removal action in IMS/PIC, the HUD Chicago Field Office will be notified seeking inventory removal approval via a PIC system generated email to your designated PIC coach or another person. Below is a sample notification email: *"Subject: Inventory Removal Submittal Notification (HA code) Inventory removals have been submitted for approval by your office on [submission date] by [HA Code]."*

- When the above email is received, the HUD Chicago Field Office is responsible for the review and approval or rejection of the PHA's Inventory Removal submission within seven days.
- The HUD Chicago Field Office will conduct a threshold review of the TPV request prior to sending the request to HUD's Financial Management Center (FMC) for a final determination and processing.

When an amendment to this approval needed, PHAs must comply with all material terms of the SAC application. If after receiving HUD approval, a PHA's plan changes on material terms, SAC approval of the change is required. PHAs request amendments by sending an email to SACTA@hud.gov with the information noted above and a board resolution approving the change. On a case-by-case basis, SAC may require additional supporting documentation to support an amendment (e.g., evidence of local government and/or resident consultation; confirmation of environmental clearance etc.).

The HUD Chicago Field Office has been informed of this approval and its staff is available to provide any technical assistance necessary for your agency to proceed with the demolition. As HACF starts the process of implementation, I urge you to continue to maintain an open dialogue with your residents and local officials. If you have to modify your plans, please contact the SAC at SACTA@hud.gov. As always, my staff and I are available to assist you in any way possible.

Sincerely,

**JANE
HORNSTEIN**

Jane B. Hornstein
Director

Digitally signed by: JANE HORNSTEIN
DN: CN = JANE HORNSTEIN C = US
O = U.S. Government OU = Department
of Housing and Urban Development,
Office of Public and Indian Housing
Date: 2022.07.05 14:23:12 -05'00'

CC: HUD Chicago Field Office
Enclosure

Exhibit – A
Rehab Cost Estimate

Div.	Trade Item	Trade Item Description	Trade Unit	Unit Cost - National Average	Quantity	Total Cost Adjusted for Location	Unit Cost - SAC	Total Cost - SAC	SAC Comments
3	Concrete					\$ 72,735.00			
	Concrete	Replacing concrete floor slab and compacted base	SF	\$ 7.50	9698	\$ 72,735.00		\$72,735	
	Masonry					\$ 72,135.30			
4	Masonry Masonry	Pointing masonry, tuck, cut and re-point, soft old mortar, common bond	SF	\$ 11.40	4891	\$ 55,757.40		\$55,757	
	Demolition Masonry	Cleaning masonry, heavy restoration, average soil, biological staining, by chemical, high pressure wash, brush and rinse, excludes scaffolding	SF	\$ 1.29	4891	\$ 6,309.39		\$6,309	
	Demolition Masonry	Selective demolition, masonry, veneers, brick (10% replacement)	SF	\$ 8.13	489	\$ 3,975.57		\$3,976	
5	Demolition Masonry	Brick veneer masonry, standard sel. Common, 4"x2-2/3"x8" (10% Replacement)	SF	\$ 12.46	489	\$ 6,092.94		\$6,093	
	Metals					\$ -			
			LF			\$ -			
6	Rough Carpentry					\$ 158,761.80			
	Rough Carpentry	Install shoring for floor joist for concrete slab replacement	EA	\$ 11,250.00	12	\$ 135,000.00		\$135,000	
	Rough Carpentry	Install new second floor subflooring	SF	\$ 5.45	1871	\$ 10,196.95		\$10,197	
	Rough Carpentry	Frame interior partitions	LF	\$ 26.65	509	\$ 13,564.85		\$13,565	
	Finish Carpentry					\$ 74,083.68			
	Finish Carpentry	Apartment punch-out, cleaning, prelease procedures - Industry Average	EA	\$ 425.00	18	\$ 7,650.00		\$7,650	
	Finish Carpentry	Install new 4" wood base	LF	\$ 9.84	4572	\$ 44,988.48		\$44,988	
	Finish Carpentry	Units - Window Stool	Opng.	\$ 178.71	120	\$ 21,445.20		\$21,445	
	Waterproofing					\$ 77,426.23			
	Caulking	Joint sealants, caulking and sealants, polyurethane, bulk, in place, 1 or 2 component	LF	\$ 6.84	2604	\$ 17,811.36		\$17,811	
	Siding	Fiber Cement Siding	SF	\$ 15.39	3470	\$ 53,403.30		\$53,403	
	Moisture Protection	Silicone water repellants, sprayed on masonry, 2 coats	SF	\$ 1.27	4891	\$ 6,211.57		\$6,212	
7	Insulation					\$ 54,793.90			
	Insulation	Blanket insulation walls, R20 (installation of exterior wall insulation)	SF	\$ 2.38	9861	\$ 23,469.18		\$23,469	
	Insulation	R-49 Attic blown-in insulation	SF	\$ 1.96	15982	\$ 31,324.72		\$31,325	
7	Roofing					\$ 44,557.44			
	Demolition	Selective demolition, asphalt shingles	SF	\$ 0.22	12108	\$ 2,663.76		\$2,664	
	Roofing	Roofing, new three tab architectural shingles plus ice dam and valley protection	SF	\$ 3.46	12108	\$ 41,893.68		\$41,894	
7	Roof Accessories					\$ 11,696.52			
	Roof Flashing	Drip edge, galvanized, mill finish, 3" wide	LF	\$ 4.10	1680	\$ 6,888.00		\$6,888	

Div.	Trade Item	Trade Item Description	Trade Unit	Unit Cost - National Average	Quantity	Total Cost Adjusted for Location	Unit Cost - SAC	Total Cost - SAC	SAC Comments
7	Roof Flashing	Sheet metal flashing, aluminum, mill finish, .32" thick, inc. up to 4 bend	LF	\$ 9.63	360	\$ 3,466.80		\$3,467	
	Roof Flashing	Vent flashing, galvanized, 4" pipe, includes neoprene ring	EA	\$ 111.81	12	\$ 1,341.72		\$1,342	
	Sheet Metal	Vented aluminum soffit panels and accessories	LF	\$ 22.06	1554	\$ 34,281.24		\$34,281	
	Sheet Metal	Aluminum fascia	LF	\$ 18.91	1554	\$ 29,386.14		\$29,386	
8	Doors					\$ 215,382.72			
	Doors	Doors, Insulated steel, 3'0"x6'8" (Dwelling unit entry) with new screen doors	EA	\$ 1,752.40	36	\$ 63,086.40		\$63,086	
	Demolition Doors	Door demolition, exterior door, single, up to 3' - 0" x 6' - 8" high, 1-3/4" thick, remove frame and screen door	EA	\$ 239.10	36	\$ 8,607.60		\$8,608	
	Doors	Hinges, full mortise, steel base	PR	\$ 84.53	36	\$ 3,043.08		\$3,043	
	Doors	Entry Door hardware, lockset, keyed, single cylinder function (dwelling units)	EA	\$ 397.67	36	\$ 14,316.12		\$14,316	
	Doors	Door hardware, deadlock, tubular, standard duty, outside key (dwelling units)	EA	\$ 205.28	36	\$ 7,390.08		\$7,390	
	Doors	Peepholes, wide view (dwelling units)	EA	\$ 54.02	36	\$ 1,944.72		\$1,945	
	Doors	Thresholds, rubber, 2-3/4" x 1/2" (dwelling units)	EA	\$ 150.54	36	\$ 5,419.44		\$5,419	
	Demolition	Door demolition, interior bi-fold and bi-pass door, 3' x 6' - 8" high, remove	EA	\$ 43.47	66	\$ 2,869.02		\$2,869	
	Doors	Doors, wood, residential, interior, closet, bi-fold, flush, birch, sizes vary (dwelling unit closets)	EA	\$ 462.07	66	\$ 30,496.62		\$30,497	
	Doors	Doors, prehung, interior, passage, pine paneled, flush, hollow core, 4-5/8" solid jamb, 1-3/8" x 6'-8" x 2'-8" wide (dwelling unit bedroom and bathrooms)	EA	\$ 652.05	78	\$ 50,859.90		\$50,860	
	Demolition	Door demolition, hollow core, remove (dwelling units)	EA	\$ 52.80	78	\$ 4,118.40		\$4,118	
	Doors	Interior Door hardware, lockset, non-keyed passage, privacy (dwelling unit bathrooms)	EA	\$ 229.43	78	\$ 17,895.54		\$17,896	
	Doors	Door stops, wall bumper, 4" dia., w/rubber pad (dwelling units)	EA	\$ 58.60	78	\$ 4,570.80		\$4,571	
	Doors	Thresholds / Saddles, aluminum (3' each) (dwelling unit bathrooms)	LF	\$ 42.50	18	\$ 765.00		\$765	
8	Windows					\$ 59,903.76			
	Windows	Window, fiberglass thermally broken, including glazing, average	EA	\$ 492.52	120	\$ 59,102.40		\$59,102	
	Windows	For installation in concrete/masonry openings add 8% material cost	SF	\$ 7.33	72	\$ 527.76		\$528	
	Demolition	Window demolition	SF	\$ 2.28	120	\$ 273.60		\$274	
8	Glass					\$ -			
		None identified				\$ -			
						\$ -			
						\$ -			
9	Drywall					\$ 99,093.45			
	Drywall	Gypsum wallboard, on walls and ceilings, standard, taped & finished (level 4 finish), 5/8" thick (dwelling units)	SF	\$ 2.95	33591	\$ 99,093.45		\$99,093	

Div.	Trade Item	Trade Item Description	Trade Unit	Unit Cost - National Average	Quantity	Total Cost Adjusted for Location	Unit Cost - SAC	Total Cost - SAC	SAC Comments
9	Ceramic Tile					\$ 38,374.56			
	Ceramic Tile	Ceramic tile, walls, interior, thin set, 6" x 6"	SF	\$ 17.45	1728	\$ 30,153.60		\$30,154	
	Ceramic Tile	Ceramic tile, floors, 1 color, color group 2, 1" x 1" (dwelling unit bathrooms)	SF	\$ 20.76	396	\$ 8,220.96		\$8,221	
9	Acoustical					\$ -			
		NONE NOTED				\$ -			
9	Wood Flooring					\$ -			
		NONE NOTED				\$ -			
9	Resilient Flooring					\$ 162,539.22			
	Resilient Flooring	Flooring, luxury vinyl tile, solid, 4" x 36" plank" (dwelling units)	SF	\$ 7.60	12114	\$ 92,066.40		\$92,066	
	Resilient Flooring	Latex underlayment, cementitious for resilient flooring, 1/8" thick	SF	\$ 8.53	7338	\$ 62,593.14		\$62,593	
	Resilient Flooring	Vinyl stair treads	SF	\$ 18.24	432	\$ 7,879.68		\$7,880	
9	Painting					\$ 122,757.45			
	Painting & Decorating	Painting, on plaster or drywall, rollerwork, primer and 2 coats (dwelling units)	SF	\$ 1.99	50295	\$ 100,087.05		\$100,087	
	Painting and Decorating	Exterior painting, doors, panel both sides, incl. frame and trim, primer & 2 finish coats	EA	\$ 244.65	16	\$ 3,914.40		\$3,914	
	Painting & Decorating	Priming/ painting of doors, interior latex	EA	\$ 130.25	144	\$ 18,756.00		\$18,756	
10	Specialties					\$ 31,718.10			
	Specialties	Toilet accessories, curtain rod, stainless steel, 1" diameter x 5' long	EA	\$ 132.02	18	\$ 2,376.36		\$2,376	
	Specialties	Toilet accessories, towel bar, stainless steel, 30" long	EA	\$ 137.66	18	\$ 2,477.88		\$2,478	
	Specialties	Toilet accessories, robe hook, regular, single	EA	\$ 47.66	18	\$ 857.88		\$858	
	Specialties	Bath accessories, medicine cabinet, with mirror, stainless steel frame, unlabeled, 16" x 22"	EA	\$ 251.97	18	\$ 4,535.46		\$4,535	
	Specialties	Exterior address and unit signage	EA	\$ 115.68	39	\$ 4,511.52		\$4,512	
	Specialties	Stainless-steel splash guards @ ranges	EA	\$ 241.50	16	\$ 3,864.00		\$3,864	
	Specialties	Wood shelving, pine, clear grade, no edge band, 1x12 (Closet shelving, Avg. 15lf/unit)	LF	\$ 19.40	675	\$ 13,095.00		\$13,095	
10	Special Equipment					\$ 8,002.80			
	Fire Alarm System	Hard wired combination smoke and carbon monoxide detectors	EA	\$ 102.60	78	\$ 8,002.80		\$8,003	
11	Cabinets					\$ 84,726.00			
	Cabinets	Kitchen cabinets, excl. counters and appliances (dwelling units)	EA	\$ 4,155.00	18	\$ 74,790.00		\$74,790	
	Cabinets	Countertops, stock, plastic laminate, 24" wide, include backsplash (dwelling units)	EA	\$ 552.00	18	\$ 9,936.00		\$9,936	
13	Special Construction					\$ 344,826.60			
	Demolition	Selective demolition, gutting, building interior	SF	\$ 4.05	15982	\$ 64,727.10		\$64,727	
	Special Construction	Upgrade existing Vision/Audio impaired units	EA	\$ 15,000.00	1	\$ 15,000.00		\$15,000	

Div.	Trade Item	Trade Item Description	Trade Unit	Unit Cost - National Average	Quantity	Total Cost Adjusted for Location	Unit Cost - SAC	Total Cost - SAC	SAC Comments
	Special Construction	Conversion of existing units to be fully UFAS compliant handicapped accessible units. Cost includes carpentry, cabinetry, finishes, mechanical, electrical, and plumbing	EA	\$ 35,000.00	1	\$ 35,000.00		\$35,000	
	Special Construction	Interior drain tile with two sump pumps discharging on grade	LF	\$ 106.50	885	\$ 94,252.50		\$94,253	
	Environmental Abatement	Environmental Abatement - asbestos floor tile, transite exterior panels, and mastic, pipe insulation	SF	\$ 8.50	15982	\$ 135,847.00	\$3,000	\$54,000	\$3000/unit
14	Elevators					\$ -			
						\$ -			
15	Plumbing and Hot Water					\$ 347,426.64			
	Domestic Water Distribution	Domestic water supply piping and hot water	LF	\$ 7.91	1608	\$ 12,719.28		\$12,719	
	Plumbing	Three fixture bathroom, 1 water closet, 60" tub/shower, 1 lavatory, on 2 walls with all necessary service piping	EA	\$ 9,565.00	18	\$ 172,170.00		\$172,170	
	Plumbing	Kitchen sink system - Kitchen sink w/trim, countertop, 32"x21" double bowl - systems are complete w/trim and rough-in (supply, waste, and vent) to connect to supply branches and waste mains (dwelling units)	EA	\$ 2,475.00	18	\$ 44,550.00		\$44,550	
	Plumbing	Install washer boxes for each washer with supply and sanitary	EA	\$ 1,250.00	12	\$ 15,000.00		\$15,000	
	Plumbing	Sanitary Waste Piping Replacement within the Units/Buildings Pipe, plastic, PVC, 4" diameter, schedule 40, includes couplings 10' OC, and hangers 3 per 10 Elbow, 45 Deg., plastic, PVC, white, socket joint, 4", schedule 40	LF	\$ 46.30	594	\$ 27,502.20		\$27,502	
	Plumbing	Coupling, plastic, PVC, white, socket joint, 4", schedule 40 Tee, plastic, PVC, white, socket joint, 4", schedule 40	EA	\$ 108.00	27	\$ 2,916.00		\$2,916	
	Plumbing	Pipe, plastic, residential installation, PVC, 1-1/2" diameter, schedule 40, includes couplings 10' OC,	LF	\$ 33.30	510	\$ 16,983.00		\$16,983	
	Plumbing	Elbow, 45 Deg., plastic, PVC, white, socket joint, 1-1/2", schedule 40	EA	\$ 89.55	72	\$ 6,447.60		\$6,448	
	Plumbing	Coupling, plastic, PVC, white, socket joint, 1-1/2", schedule 40	EA	\$ 152.00	36	\$ 5,472.00		\$5,472	
	Plumbing	Gas fired high efficiency 40 gallon water heater	EA	\$ 2,425.92	18	\$ 43,666.56		\$43,667	
15	Heat and Ventilation					\$ 292,320.00			
	Demolition	Gas fired forced air furnaces, selective demolition	EA	\$ 125.00	18	\$ 2,250.00		\$2,250	
	Heating and Cooling	High efficiency gas fired forced air furnaces with central air	EA	\$ 14,550.00	18	\$ 261,900.00		\$261,900	
	Ventilation	Bathroom exhaust, grille, fire damper, 110 cfm	EA	\$ 209.00	18	\$ 3,762.00		\$3,762	
	Ventilation	Clean existing system ductwork	EA	\$ 500.00	18	\$ 9,000.00		\$9,000	
	Ventilation	Install duct work for bathroom exhaust fans	EA	\$ 400.00	18	\$ 7,200.00		\$7,200	
	Ventilation	Range hood, residential appliances, vented, 2 speed, 30" wide	EA	\$ 456.00	18	\$ 8,208.00		\$8,208	
15	Air Conditioning					\$ -			
		Included in heating section above				\$ -			

Div.	Trade Item	Trade Item Description	Trade Unit	Unit Cost - National Average	Quantity	Total Cost Adjusted for Location	Unit Cost - SAC	Total Cost - SAC	SAC Comments
15	Electrical					\$ 110,677.80			
	Electrical	Electrical breaker panel, 1 phase, 3 wire, 120/240 volt, 100 amp (replace and relocate)	EA	\$ 1,650.00	18	\$ 29,700.00		\$29,700	
	Electrical	Circuit Breakers, arc fault circuit interrupter, 1 pole	EA	\$ 131.00	72	\$ 9,432.00		\$9,432	
	Electrical	Circuit breakers, plug-in high interrupting capacity, 2 pole, 120/240 V, 60 am	EA	\$ 112.00	18	\$ 2,016.00		\$2,016	
	Electrical	Receptacle devices, residential, decorator style, GFI incl cover plate (3 per unit)	EA	\$ 95.50	54	\$ 5,157.00		\$5,157	
	Electrical	Circuit and connection for range hoods	EA	\$ 178.00	18	\$ 3,204.00		\$3,204	
	Electrical	Light fixtures, residential, canopy style, economy grade (dwelling units)	EA	\$ 53.40	192	\$ 10,252.80		\$10,253	
	Electrical	Light fixtures, residential, dining room chandelier, economy grade (1 & 3-bedroom units)	EA	\$ 130.00	12	\$ 1,560.00		\$1,560	
	Electrical	Light fixtures, residential, kitchen fixture (LED), economy grade	EA	\$ 192.00	18	\$ 3,456.00		\$3,456	
	Electrical	Install GFI's at washer receptacles	EA	\$ 175.00	12	\$ 2,100.00		\$2,100	
	Electrical	Upgrade wiring devices	Unit	\$ 1,100.00	18	\$ 19,800.00		\$19,800	
	Electrical	Upgrade the over the air antenna delivery system	EA	\$ 500.00	18	\$ 9,000.00		\$9,000	
	Electrical	Building-mounted Exterior Lighting Upgrades	LS	\$ 5,000.00	3	\$ 15,000.00		\$15,000	
	Subtotal (Structures)					\$ 2,547,606.35			
	Accessory Structures					\$ -			
		NONE NOTED				\$ -			
	Total (Lines 28 and 29)					\$ 2,547,606.35			
	Earthwork					\$ 3,717.50			
	Earthwork	Spread conditioned Topsoil - 6" deep (building perimeter)	MSF	\$ 808.50	3	\$ 2,425.50		\$2,426	
	Earthwork	Fine Grading green areas - building foundation perimeter within 5	SY	\$ 8.50	152	\$ 1,292.00		\$1,292	
	Site Utilities					\$ -			
		NONE NOTED				\$ -			
32	Exterior Improvements					\$ 83,807.00			
		Install ADA Compliant curbs	EA	\$ 1,045.50	4	\$ 4,182.00		\$4,182	
		Replace the existing concrete steps railings	EA	\$ 825.00	6	\$ 4,950.00		\$4,950	
		Replace handrails at Buildings 1 and 3 entrance stairs	EA	\$ 565.00	12	\$ 6,780.00		\$6,780	
		Exterior drain tile with downspouts tied into the system	LF	\$ 45.00	951	\$ 42,795.00		\$42,795	
		Install building signage	LS	\$ 3,500.00	1	\$ 3,500.00		\$3,500	
		Remove trash screen enclosure and install larger screen enclosure	EA	\$ 1,200.00	18	\$ 21,600.00		\$21,600	
32	Lawns and Plantings					\$ 15,000.00			
	Lawns and Plantings	Landscape repair and replacement within 5' of building	LS	\$ 15,000.00	1	\$ 15,000.00		\$15,000	

Div.	Trade Item	Trade Item Description	Trade Unit	Unit Cost - National Average	Quantity	Total Cost Adjusted for Location	Unit Cost - SAC	Total Cost - SAC	SAC Comments
	Unusual Site Conditions					\$ -			
		NONE NOTED				\$ -			
	Total Land Improvements					\$ 402,524.50			
	Combined Structure and Land Improvement Cost					\$ 2,650,130.85		\$2,568,284	
	Contingency (7.5%)					\$ 198,759.81		\$192,621	
	Soft Costs and Fees					\$ 619,468.09			
		General Conditions		5.00%		\$ 132,506.54		\$128,414	
		Builder's Profit		10.00%		\$ 278,263.74		\$75,042	
		Architectural Design Fees		5.50%		\$ 153,045.06		\$141,256	
		PHA Administration Fee		2.00%		\$ 55,652.75		\$51,366	
	TOTAL DEVELOPMENT COST (TDC) = TOTAL REHABILITATION / RETROFIT CONSTRUCTION					\$ 5,257,440.00			
	REHABILITATION COST					\$ 3,468,358.75	PNA	\$3,156,983	
	REHABILITATION COST PERCENTAGE					65.97%		60.05%	
	TOTAL NUMBER OF UNITS					18			
	TOTAL REHABILITATION COST PER UNIT					\$ 192,686.60			

**Total Development Cost (TDC)
and Rehab Cost Estimate Addendum
HUD-52860-B**

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

OMB Approval No. 2577-0075
(exp. 01/31/2021)

The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0075. There is no personal information contained in this application. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when disclosure is not required. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

This information is required as a supplement to the HUD-52860 for all SAC applications that propose a demolition under 24 CFR 970.15 or a disposition under 24 CFR 970.17 based on physical obsolescence. HUD will use this information to determine whether, and under what circumstances, to approve SAC applications as well as to track removals for other record keeping requirements. Responses to this collection of information are statutory and regulatory to obtain a benefit. All terms not defined in this form have the meanings as 24 CFR part 970 and PIH notice 2018-04 (or any replacement notice). The information requested does not lend itself to confidentiality.

1. SAC Application Number in IMS/PIC **DDA0011333**
Project (AMP) Name & Number in IMS/PIC **IL029000002, Parkside Westview Homes**

2. Total Development Cost (TDC) Calculation

Based on HUD Notice

PIH - 2021-07

Year: 2020

For Locality: Region V-Midwest Rockford,

Complete the calculations below for the unit proposed for demolition and/or disposition based on physical obsolescence:

Size - Type	Number of units	Times	TDC Per Unit	= TDC
0 - Bdr Detached and Semi detached	0	X	0	0
0 - Bdr Row Dwelling		X		0
0 - Bdr Walk-Up		X		0
0 - Bdr elevator		X		0
1 - Bdr Detached and Semi detached		X		0
1 - Bdr Row Dwelling	6	X	221148	1326888
1 - Bdr Walk-Up		X		0
1 - Bdr elevator		X		0
2 - Bdr Detached and Semi detached		X		0
2 - Bdr Row Dwelling		X		0
2 - Bdr Walk-Up		X		0
2 - Bdr elevator		X		0
3 - Bdr Detached and Semi detached		X		0
3 - Bdr Row Dwelling	12	X	327,546	3930552
3 - Bdr Walk-Up		X		0
3 - Bdr Elevator		X		0
4 - Bdr Detached and Semi detached		X		0
4 - Bdr Row Dwelling		X		0
4 - Bdr Walk-Up		X		0
4 - Bdr Elevator		X		0
5 - Bdr Detached and Semi detached		X		0
5 - Bdr Row Dwelling		X		0
5 - Bdr Walk-Up		X		0
5 - Bdr Elevator		X		0
6 - Bdr Detached and Semi detached		X		0
6 - Bdr Row Dwelling		X		0
6 - Bdr Walk-Up		X		0
6 - Bdr Elevator		X		0
Total Units	18			\$5,257,440

3. Estimated Cost of Rehabilitation

\$3,156,983

Attach a document showing rehabilitation needs by line item and dollar amount

4. Rehabilitation Cost % (estimated cost of Rehabilitation/Total TDC) x 100 =

60.05%

Provide attachments as needed. All attachments
must reference the Section and line number to which they apply
Previous versions obsolete

Appendix F

July 15, 2022

HUD Approval of CHAP for Westview Repositioning



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

July 15, 2022

Babette Jamison-Varner
Chief Executive Officer
Housing Authority of the City of Freeport
1050 W. Galena Avenue
Freeport, IL 61032-3820

Dear Ms. Jamison-Varner:

Thank you for your application under the Rental Assistance Demonstration (RAD) for the conversion of assistance of 178 units to Project Based Rental Assistance at the following PIC Development: IL029000002, PARKSIDE WESTVIEW HOME.

We are pleased to approve your request for conversion as described in the application, subject to the conditions below.

This award letter serves as the Department's Commitment to Enter into a Housing Assistance Payments (CHAP) for the above-referenced project, provided the Owner meets all the requirements contained in the PIH Notice 2019-23, Revision 4 ("Notice") and all subsequent revisions. In addition, the owner must comply with all "CHAP Milestones" identified in section 1.12 of the Notice as applicable.

This award is issued pursuant to the Consolidated and Further Continuing Appropriations Act, 2012, Pub. L. No. 112-55, approved November 18, 2011, the Consolidated and Further Continuing Appropriations Act of 2015 (P.L. 113-235), approved December 6, 2014; the 2017 Consolidated Appropriations Act (P.L. 115-31), approved May 5, 2017, and the Consolidated Appropriations Act of 2018 (P.L. 115-141), approved March 23, 2018; section 8 of the United States Housing Act of 1937 (Act), 42 U.S.C. 1437 et seq.; and the Department of Housing and Urban Development Act, 42 U.S.C. 3531 et seq. The purpose of this award is to begin the process of effectuating the conversion of Public Housing to a form of project-based assistance under section 8 of the Act. This award cannot be transferred without the prior written consent of HUD.

In order to convert your project, the PHA must fulfill the CHAP milestones and deadlines identified in section 1.12 of the Notice. HUD will rely solely on documents and certifications the PHA submits through the RAD Resource Desk to monitor compliance with CHAP milestones. If HUD, in its sole judgment, determines that the PHA fails to meet any of the requirements, the CHAP will be revoked, unless the PHA submits and HUD approves a request for a deadline extension. Any extension request must include both a justification and an explanation of why failure to meet the milestone will not jeopardize the PHA's ability to complete the RAD conversion. Approval of any request for an extension is at HUD's sole discretion.

Within 30 days of CHAP issuance, you must **confirm your acceptance of a CHAP by submitting an application into the Inventory Removals module in PIC** in order to identify the units that will be removed from public housing Annual Contributions Contract (ACC) when the project completes conversion. HUD has made instructions for submitting a Removal Application into PIC available at www.radresource.net.¹ Failure to submit a Removal application into PIC will result in a suspension of the CHAP and a revocation if not corrected within a reasonable time period. Contact your PIH Field Office if you have any questions about this submission.

As the award is a conditional commitment by HUD, HUD reserves the right to revoke or amend its commitment at any time prior to closing if HUD, in its sole judgment, determines that any of the following conditions are present:

- A. any of the contract units were not eligible for selection;
- B. the proposed conversion is not or will not be financially feasible;
- C. the Owner fails to meet any applicable deadline;
- D. the Owner fails to cooperate;
- E. there is any violation of program rules, including fraud; or
- F. the terms of the conversion would be inconsistent with fair housing and civil rights laws or a fair housing or civil rights court order, settlement agreement, or voluntary compliance agreement.

This award shall be interpreted and implemented in accordance with all statutory requirements, and with all HUD requirements, including amendments or changes in HUD requirements, the Notice, and all other applicable RAD guidance.

As you start the process of conversion, we urge you to continue to maintain an open dialogue with your residents and local officials. If you have any questions or concerns regarding

¹ See www.radresource.net > Document Library > PIC Removal – Instructions for PHAs

the conversion process or fulfilling the CHAP Milestones, please contact your RAD Transaction Manager.

Sincerely,

Belinda L. Bly

Belinda L. Bly
Supervisory, NCIS, Office of Urban Revitalization
Office of Public Housing Investments

Enclosure

EXHIBIT A

IDENTIFICATION OF UNITS ("CONTRACT UNITS") BY SIZE AND APPLICABLE CONTRACT RENTS

The Contract Rents below for the subject project are based on Fiscal Year 2020 Federal Appropriations and assumptions regarding applicable rent caps. The final RAD contract rents, which will be reflected in the RAD HAP contract, will be based on Fiscal Year 2020 Federal Appropriations, as well as applicable program rent caps and Operating Cost Adjustment Factors (OCAFs), and, as such, may change. For PBV conversions, the Contract Administrator must ensure that the gross rents fall within PBV program rent caps regarding Fair Market Rents (FMRs) and reasonable rents. In addition, prior to conversion, the PHA must provide HUD updated utility allowances to be included in the HAP contract.

Existing PIC Development Number: IL029000002

**New Project Name (for tracking purposes only): WESTVIEW REDEVELOPMENT
PROJECT**

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
12	0	\$503	\$79	\$582
48	1	\$568	\$79	\$647
38	2	\$726	\$90	\$816
52	3	\$960	\$101	\$1,061
24	4	\$1,226	\$111	\$1,337
4	5	\$1,409	\$118	\$1,527

Please note that this rent schedule includes the 2021 and 2022 OCAF adjustments that the PHA is eligible for and will be confirmed during the Financing Plan review.

Appendix G

Year-End 2022 Financial Audit

Scheduled for Board of Commissioners Approval
(do not include until after November 30th Meeting)