

Housing Authority of Louisville
Revitalization Plan
March 2, 1998

7. MANAGEMENT PLAN

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INTERIM MANAGEMENT

The Plan for interim management for the development during the revitalization period is one of partnership between the Housing Authority of Louisville (HAL) and private management companies. The first phase (Phase I) of the revitalization program consists of 100 new units which have a completion date of spring 1998. This phase I will be managed by Louisville Housing Services (LHS), an affiliated private non-profit company established by the Housing Authority of Louisville in 1985. LHS was developed to provide affordable homes for low and moderate income families in the Louisville area. Working in partnership with HAL, LHS has developed two former public housing projects, College Court and LaSalle Place, into 258 townhomes for first time homebuyers. These condominium projects represent two highly successful 5(h) program conversions and are managed solely by LHS. In addition, LHS has developed and managed over 100 other condominiums in the area. Subsequent rental phases in the Park DuValle transformation project will involve LHS as a management partner with a private management company.

TYPE OF MANAGEMENT ENTITY

The partnership between the Housing Authority of Louisville, Louisville Housing Services, and the private management entity will be one which is developed and operates through mutual agreements of sound property management principals. The private management entity will have experience and an extensive track record of sound property management involvement. Each of the development phases will receive the benefit of a management office which is located on-site (within the neighborhood). The office staff will be available on an on-going basis with standard hours of operation to promote maximum involvement between staff and residents. The staff will consist of individuals with the appropriate property management and maintenance experience. Property Management staff will be involved in on-going training opportunities and certification requirements to ensure a full coverage of professional services which will be provided to the residents. Some contractual agreements will be put in place to address areas such as grass cutting, leaf and snow removal, lawn irrigation, tree trimming, appliance repair, extermination, systems

repair, and other areas of specific maintenance. Site maintenance staff will be available on a regular basis for lawn and site maintenance (custodial), grounds keeping, routine maintenance and minor repairs, coordinating emergency repairs, and routine systems inspections. A 24-hour maintenance response system will be in place to assure prompt attention to maintenance concerns.

MANAGEMENT PLAN OPERATIONS

Highlights of the management plan will include the following:

- o an application interview which will serve as a pre-screening to match the perspective resident with the terms, conditions, and requirements of living in the revitalized community. A full application process will follow to allow an analysis of family size, income, employment and training verification, credit history, rental history including lease compliance information, personal references, authorization for release of information and criminal records check.
- o a detailed orientation of the development including a tour and description of amenities, and community assets, is provided to applicants that are apparently eligible.
- o a comprehensive lease which allows termination of tenancy for involvement which disturbs neighbors, damages property, creates a risk of harm to residents or employees, and criminal violations.
- o a high level of maintenance standards with maximum attention to site appearance, and curb appeal. A maintenance staff whose behavior and appearance continuously conveys a sense of respect and courtesy to all residents, work order response times of one (1) and no more than (3) days.
- o a grievance procedure which affords a right to a hearing upon filing a written request from residents in accordance to 24 C.F.R. 966.53(C) before any evictions occur. However, this grievance procedure does not apply to any eviction or termination of tenancy that involves:
 1. Any criminal activity that threatens the health, safety, or right of peaceful enjoyment of the premises of other residents or

employees of HAL or employees of Management Agent of Park DuValle.

2. Any drug-related criminal activity on or off such premises (42 U.S.C. 1437d(k), as amended).

Any such eviction or termination of the tenancy may be effected by Management pursuant to a decision in an action for eviction in a Kentucky court of competent jurisdiction pursuant to Kentucky law, without affording the tenant an opportunity for a hearing on the eviction or other termination of tenancy under 24 CFR Part 966.

This grievance procedure shall not be applicable to disputes between tenants not involving the HAL 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 HAL's Board of Commissioners. See 24 C.F.R. 966.51(b).

- o resident rents are collected and recorded at the developments management site office using an accounting software. Rents are then deposited by site personnel to the properties operating account. A RENT ROLL indicating resident and subsidy charges and receipts is updated daily as new information is entered by the site staff. This report can be printed at any time at the site and is produced at least twice each month at the site office. Delinquency reports are monitored to ensure timely collection of rents.

Rents are due and payable in advance on the first of each month. Payments must be made by check or money order. Rent will be accepted at the management office.

If a resident is more than five days late, the site manager may issue a friendly reminder that the rent is due. On the tenth day of the month, a notice to quit is sent if the rent is still outstanding. *Notices to Quit* are delivered to delinquent residents by hand and by regular mail. If the rent is still outstanding, and the resident has made no effort to pay, the site manager will contact the agency's attorney and send him/her copies of the notices on any resident who still has an outstanding rent balances. The attorney will then commence eviction proceedings.

If it is evident that the resident is making an honest effort to fulfill his/her obligations, the management agent will work closely with him/her, if necessary, referring him/her to a budget counselor or other social service agency.

All rent payments will be properly recorded and kept in a separate operating account.

REDUCED COST

Many aspects of the proposed property management partnership between the Housing Authority, Louisville Housing Services, and a private management entity will result in cost savings. The approach which is being taken will allow maximum performance with a reduced number of staffed positions. Potential cost savings may be realized through PHA service agreements for inspections, exterminating services, and other preventive maintenance. The preventive maintenance program is also designed to have a positive impact on insurance costs.

SECURITY

From the earliest planning stages of the Park DuValle Neighborhood Revitalization, security has been a primary concern. The district police captain and staff have participated and continued to play a role in the development process. A major security advantage is that the 4th district police station is located within the community. Programs such as Community Oriented Policing, Neighborhood Block Watch, and other crime prevention initiatives have been incorporated within the development process. The Housing Authority of Louisville has a HALO program (Housing Authority Liaison Officers) which operates in part out of the 4th district police offices.

Several police officers have expressed an interest in renting or buying homes in the revitalized community. Each unit that is being constructed includes in its amenity package, a built-in alarm system. A major part of the community building process which is already in place includes crime reduction training which incorporates

resident and community participation. The entire philosophy of the HALO program is to integrate management and security in efforts to reduce crime, train residents in continuously keeping a watchful eye for strangers in the community, individuals involved in suspicious behavior and readily reporting any situations of concern. An example of this activity is that one of the goals of the residents and management is to reduce incidents of criminal activity in order to justify reduced rates in such areas of homeowners insurance.

HOUSING AUTHORITY OF LOUISVILLE

COMP GRANT AREAS RELATED TO OCCUPANCY

1. SCREENING PROCEDURES

The Housing Authority of Louisville (HAL) selects it's outstanding residents for alternative housing such as Scattered Sites, Section 8 and Park DuValle. Once HAL has exhausted the number of residents who meet the standards of being a resident with an outstanding record, applicants will be selected from HAL's public housing waiting list.

- See HAL's Admission and Continued Occupancy Policy (ACOP) Sections 101 thru 101-10 inclusively for selection criteria (screening procedure).

2. WAITING LIST ESTABLISHMENT AND MAINTENANCE

- See HAL's ACOP, SECTION 8 ADMINISTRATIVE PLAN and SITE BASED WAIT LIST POLICES attached to this document

3. LOCAL PREFERENCE RULES

Each preference is assigned numerical points based on local community needs. Selection is based on the total number of points that an applicant has been assigned after eligibility has been declared. In cases where two or more applicants' numerical points are equivalent, selection will be based on chronological order in which their applications are determined eligible. HAL has chosen to aggregate its priority and preference selection categories when selecting applicants for placement. The following priorities and preferences are presently being used:

Priority Selection Categories	Points
Elderly	150
Disabled	150
Handicapped	150
HAL's Preference Categories	Points
Working families or full time students	165
Families that live or work in Jefferson County	90
Involuntarily displaced	90
Living in substandard housing	80
Paying more than 50 Percent of Family Income for Rent	70
Applicants who will reside in any of HAL's developments once assignment is determined based on vacancies	40

NOTES ON POINTS:
Based on HAL's system of selection, applicants who have a large number of priority and preference points will outrank an applicant with a smaller number of points.
Near elderly single persons may be given a preference for admission over single persons to housing developments (elderly only).
Working families include those in which the head of household or spouse is a full-time student at an accredited educational institution or is currently enrolled in a bona-fide job training or vocational program which will enhance employment opportunities.

4. UNIT TRANSFER POLICIES

Residents who meet the criteria for transfer prescribed in HAL's ACOP section 600.00 will submit a transfer request to their manager who will forward the transfer form to Central Office (Director of Occupancy) who will then review the request form for compliance. If residents are approved a transfer will be granted based on priority order and approval date.

I. TRANSFER FOR RESIDENTS TO ALTERNATIVE HOUSING

HAL believes in the philosophy that residents should step up and out of public housing. As in all walks of life, individuals are normally rewarded for exemplary achievement. HAL believes the same is true for residents that faithfully follow the terms and stipulations for their lease. Thus, residents are selected first for alternative housing programs if they meet the standards which define an outstanding resident record.

II. STANDARDS USED TO DESIGNATE RESIDENTS AS OUTSTANDING FOR PARK DUVALLE ARE:

Individuals selected for new housing programs are transferred from public housing as long as residents meet the criteria for selection to other housing programs. Residents are notified of all new housing programs and are given an opportunity to apply. Managers will review the residents file to determine if compliance standards are met and a special house keeping inspection will be performed.

- No lease violations within the last three years
- No late payments in the last 12 months
- Met all housekeeping inspections within the last three years

- Head of House Hold must be:

1. Employed.

2. A full time student of an accredited institution or currently enrolled in a bonified job training or vocational program which will enhance employment opportunity.

- All members of the household 18 years of age and older must pass a criminal record check.
- Residents who receive assisted income may also be eligible.

III. STANDARDS USED FOR RESIDENT SELECTION INTO SCATTERED SITES AND SECTION 8 ARE:

- Must have a rental history with no lease violations within the past 12 months
- No late rent payments within the past 12 months
- Must have passed all housekeeping inspections

HAL uses the above criteria to select residents for Park DuValle Revitalized housing, Section 8 housing and Scattered Site housing programs. This has caused a depletion of HAL residents that meet the criteria of having an outstanding resident record. However, this is not a bad phenomena. HAL will always be searing for residents that meet alternative housing standards. HAL's commitment to it's residents has Staff developing a new FSS program designed to allow residents, who do not meet alternative housing standards, an opportunity to step up and out of public housing. The first step is for residents to commit to the steps delineated in a complete assessment and identify that areas in which residents will need to improve. Workshops and behavior modification classes will be developed. If the resident follows and completes the prescribed program designed specifically for them, they will be able to apply and increase their chances of being considered for alternative housing.

5. MAINTENANCE PROCEDURES

N/A for Occupancy

6 POSITIVE INCENTIVES SUCH AS CEILING RENTS AND INCOME DISREGARDS

I. CEILING RENTS

HAL's ceiling rents are based on HUD's fair market rents. HAL's Staff is presently calculating the 95th rent percentile, for bedroom sizes at each development. The lesser of the two, fair market rents or 95th percentile rent currently paid, will be submitted to HAL's Board of Commissioners for possible approval for HAL's ceiling rent.

II. INCOME DISREGARDS

HAL does not process interim rent increases between annual re-examinations.

7. LEASE REQUIREMENTS THAT PROMOTE COMMUNITY SERVICE AND/OR TRANSITION FROM PUBLIC HOUSING

I. TRANSITION FROM PUBLIC HOUSING

See Section 4 of this document which addresses measures used by HAL when referring residents for alternative public housing.

II. LEASE REQUIREMENTS THAT PROMOTE COMMUNITY SERVICE

HAL promotes community services in the "Resident Responsibility" section of it's lease. The following are lease terms that promote community service:

- **ONE STRIKE AND YOU'RE OUT** - Drugs are not to be used, sold or manufactured on or near housing developments by family members or guests. This reduces violent crimes which plague public housing and stipulates that if residents or guests are in the possession of drugs immediate eviction will occur.
- **REGISTRATION OF FIREARMS** - Any resident who owns a firearm must complete a firearm registration form which informs HAL where firearms are located in a particular development and in case of an occurrence allows police personnel to trace a firearm used in a particular incident. Firearm registration might possibly detract residents from using the weapon.
- **MAINTENANCE** - Residents are required to take care of their yards, steps and porches, allowing developments to maintain a pleasant curb appeal.
- **CITY NOISE ORDINANCE** - Residents must adhere to the city noise ordinance. Residents have the right of not having the annoyance of loud neighbors or music.

- **INOPERABLE AUTOMOBILES** - Inoperable automobiles are not allowed to stay on the development grounds. They cause an eye-sore and they create a safety hazard for residents, especially children.

8. DESIGNATED HOUSING

Under the strict definition of designated housing, HAL has not adopted this concept based on resident input. HAL has defined one of its alternative housing programs as designated housing. This program is Sober Living. Residents who meet certain criteria will be selected for this program. This program is presently the only one of its kind, for it will be operated at a public housing site, not at a scattered site or an outstationed site as other PHA's have elected. The selection criteria for the Sober Living Program are :

- 1/3 sober for two years
- 1/3 sober at least 6 months
- 1/3 who never drank or took drugs

ATTACHMENTS:

- A. ACOP
- B. Section 8 Admin Plan
- C. Site Based Waiting List

HOUSING AUTHORITY OF LOUISVILLE

SITE-BASED WAITING LIST POLICY Park DuValle Phase II

I. INTRODUCTION AND GENERAL OVERVIEW

This Site Based Waiting List Policy ("Policy") is being adopted by the Housing Authority of Louisville ("HAL") in connection with the comprehensive neighborhood revitalization effort being undertaken by HAL with respect to the existing Park DuValle public housing development and the surrounding communities (sometimes referred to in this Policy as the "Park DuValle Phase II Program"), with the support of the U.S. Department of Housing and Urban Development ("HUD") by means of a HOPE VI grant. The overall redevelopment effort being sponsored by HAL with respect to Park DuValle will consist of several phases, including:

Phase I, known as "Chauncey Apartments" (already substantially completed by HAL), consisting of new construction of [100] units of mixed income housing.

Phase II: 213 additional units of new construction, to be developed Park DuValle Limited Partnership on a portion of the existing Park DuValle site, and consisting of two components -- Component I, consisting of approximately 108 units, funded in part by an allocation of 1997 low income tax credits, and Component II, consisting of approximately 105 units, funded in part by an allocation of 1998 low income tax credits.

Future phases: approximately ____ units of new construction, to be developed on the remainder of the existing Park DuValle site.

HAL expects to sponsor additional development activities in connection with Park DuValle, including a home ownership component, economic development activities, and community and social services. The comprehensive revitalization of the existing Park DuValle public housing development, reflected in Phases I, II, future phases, and other activities as described above, are referred to in this Policy collectively as the "Park DuValle Communities." Each of (1) Phase I (2) Phase II, and (3) any future phase is referred to in this Policy as a "Park DuValle Community" or a "Community".

Phase I was carried out by HAL, acting through its wholly owned subsidiary, and, upon completion, will be managed by Louisville Housing Services, Inc. ("LHS"), an affiliate of HAL. It is HAL's intention that Phase I be operated, to the maximum extent feasible, as privately owned housing. Future phases of rental housing activities are to be undertaken by private development teams selected in response to requests for qualifications and/or proposals issued by

HAL. The initial RFQ/RFP issued by HAL resulted in the selection of TCB to carry out the Phase II. HAL intends to enter into a ground lease with Park DuValle Limited Partnership with respect to the land on which Phase II is located

All of the housing within the revitalized Park DuValle Communities will be privately owned and managed, subject to ground leases and other regulatory agreements with HAL. Notwithstanding such private ownership and management, a portion of each Community will be maintained for occupancy by public-housing eligible families as public housing units. Because various phases of the Park DuValle redevelopment effort may be owned by different legal entities, HAL anticipates that each phase may be managed by a different management entity. Phases I will be managed initially by LHS, and Phase II is expected to be managed by private management company.

In keeping with the goals and objectives established by HUD in connection with the HOPE VI public housing revitalization program, Park DuValle phase II will be operated and maintained as an independent community, within which the public housing units will be subject to federal regulations regarding public housing as well as to legally binding agreements between HAL and the individual project owner, to protect the interests of the public housing residents. All of the public housing units in the Park DuValle Phase II will receive operating subsidy from the United States Department of Housing and Urban Development ("HUD") via HAL pursuant to the terms of a separate Regulatory and Operating Agreement for Park DuValle Phase II. This Regulatory and Operating Agreement will provide a structure of income tiering, pursuant to which resident selection will be carried out so as to achieve a mix of incomes within the public housing units. To the extent that this Policy is in conflict with provisions in the Regulatory & Operating Agreement for any phase of the Park DuValle Program, the provisions of that particular Agreement will govern to the extent of the conflict.

Admission of residents to the public housing units within each Community also will be subject to the terms of the Park DuValle Phase II Admissions and Occupancy Policy which will be adopted by the owner and manager of this development following approval by HAL and HUD. This A&O Policy will contain appropriate Fair Housing policies, comparable to those contained within HAL's Admissions and Occupancy Policy, so as to assure equal housing opportunities.

Consistent with such independent operation and management of Park DuValle Phase II, admission of public housing-eligible residents to units developed and/or acquired as part of the Park DuValle Revitalization program will be based on fully independent site-based waiting lists administered by the management agents responsible for Park DuValle Phase II.. This Policy is intended to implement the site-based waiting list approach so as to protect the priority of applicants for housing who were on HAL's centralized waiting list as of the date of the initial rent-up for Park DuValle Phase II.

This Policy describes the basic operational aspects of the site-based waiting list and is designed to assure consistency in the administration of each independent site-based waiting list

for public housing assisted units and in the application of the guiding principles established by HUD in the approval process. This Policy is applicable only to those units of public housing contained within the Park DuValle Phase II.. The A&O Policy and marketing plan for Park DuValle Phase II will provide additional details on the operation of this site-based waiting list.

An A&O Policy, management plan and marketing plan governing Phase II expected to be submitted to HUD for approval by December 2, 1997 1997. A&O Policies, management plans and marketing plans governing subsequent phases will be submitted to HUD as part of the HUD approval process of each subsequent phase.

II. DEFINITIONS:

- (A) "A&O Policy" means a Community-specific admissions and occupancy policy adopted or to be adopted with respect to any Community.
- (B) "HAL" means the Housing Authority of Louisville.
- (C) "Community" means any one of (i) Phase I, (ii) Phase II, or (iii) any subsequent phase.
- (D) "HUD" means the United States Department of Housing and Urban Development.
- (E) "TCB" means The Community Builders, Inc., the private developer selected by HAL to undertake development of Phase II.
- (F) "Park DuValle Limited Partnership" means the affiliate of The Community Builders, Inc. Which will develop and own Park DuValle Phase II..
- (G) "Park DuValle Program" means the comprehensive neighborhood revitalization effort being undertaken by HAL with respect to the existing Park DuValle public housing development and the surrounding communities.
- (H) "Policy" means this Site-Based Waiting List Policy.
- (I) "Site-based waiting list" means a Community-specific waiting list to be maintained with respect to any Community in accordance with this Policy.

III. PURPOSE

HAL is approving use of the site-based waiting list approach by management agents within each of the Park DuValle Communities. Site-based waiting lists will provide applicants with a greater degree of choice in selecting their housing based on location, amenities, job opportunities, social programs, schools and neighborhoods. The choice of a place to live is the

beginning of the applicants' move toward family self-sufficiency. Applicants will select the housing of their choice and make a conscious decision to commit to the community. Such empowerment will allow applicants to experience a sense of pride which comes when one takes responsibility for selecting housing suitable for an applicant's family. At the time of selection, a relationship between the Property Manager and the applicant will be established. HAL expects this pride and relationship to extend to the applicant's maintenance and respect for his or her apartment and the overall community.

Site-based waiting lists will also enable the management agents responsible for operation of each Community to perform eligibility verification and tenant screening in accordance with the selection criteria and preferences set forth in the A&O Policies applicable to their respective Communities, increasing management agents' responsibility for and commitment to the orderly operations of the Communities which they serve.

III. OPENINGS AND CLOSINGS OF THE WAITING LIST

The waiting list for each community will be opened following a public notice in a newspaper of general public circulation and in selected newspapers of minority orientation and circulation chosen with the approval of HAL's designated employee. The public notice will contain the following information:

1. Site Location;
2. Application Procedure - (Lottery, Date/Time, etc.);
3. Availability of unit sizes;
4. Identification of basic eligibility criteria for applicants;
5. Fair Housing Logo or statement.

HAL will review the basic text and organization of the proposed initial advertisement as a part of the initial review of the management agent's management plan and marketing plan for the community. Subsequent advertisements regarding reopening of the waiting list will only require HAL review and prior approval if the basic text and organization are revised (other than to change the date of wait list opening). The management agent will be responsible for maintaining copies of all advertisements in a marketing file. The management agent will advise HAL of its intention to open, close or reopen a site-based waiting list, in writing, at least 30 days before the opening, closing or reopening of the site-based waiting list. The management agent will format this notice in a method to allow prominent public posting of the information in HAL's Central Application Office and in the development office at each HAL public housing development. This posting will allow any applicant who visits the Central Office or any public housing site management office, or who places an application, to be informed about the full array of other housing opportunities that are available from time to time.

If the management agent closes the site-based waiting list due to an excess of applicants that cannot be reasonably served during the next five-year period, the closing of the waiting list

will be publicized in a newspaper of general public circulation as well as selected newspapers of minority orientation and circulation chosen with the approval of HAL's designated employee. The management agent will provide at least 30 days advance written notice to HAL of the closing. The management agent will again format this notice in a method to allow prominent public posting of the information in HAL's Central Applications Office and in the management office at each HAL public housing development.

IV. APPLICATION PROCESS

Applicants will follow the procedures specified by the management agent in its Community-specific A&O Policy in the completion of the application and in obtaining related documents and verifications.

V. MANAGEMENT OF THE SITE-BASED WAITING LIST

The management agent will organize the site-based waiting list in the manner described in the Admissions & Occupancy Policy for the Community. The management agent will maintain the information supporting the waiting list organization at the Community. This information may include a preapplication form, application form or other similar documents as required by the Community-specific A&O Policy. The management agent will select the applicants from the waiting list for review and consideration in strict accordance with the procedures set forth in its A&O Policy. Selections will be in writing and will be documented in the files of the applicants. Appropriate verifications of eligibility qualifications will be maintained at the Community. All applicant and resident information shall be maintained in a strictly confidential manner and shall be made available only to representatives or agents of the Community owner or management agent and of HAL on a need-to-know basis (i.e., to those individuals with direct responsibility or oversight or review responsibility for admissions, rent calculations, rent collections, lease enforcement and evictions, or other matters relating to residents where confidential information is required to carry out an essential job function).

In general, applications will be required to be made on-site. However, applicants physically unable to complete an application at the applicable Community due to disabilities or handicaps may request that the management agent mail an application to their location which may be returned to the Community by mail or in person. In addition, if a would-be public housing applicant states to HAL that the applicant would like to apply to a Community within the Park DuValle Communities but is unable to apply in person, due to disability or handicap, to a Community, then HAL will provide the applicant with a referral card addressed to the Community in which the individual desires to place an application. Upon receipt of a referral card completed with a prospective applicant's name and address, and stating that the applicant is unable to apply in person due to disability or handicap, the management agent for the applicable Community will send an application to the prospective applicant. Again, the applicant may return the completed application to the Community by mail or in person. Once the application for placement in a particular Community has received processing by the management agent

responsible for managing that community, prior to being assigned a unit the applicant shall be required to visit the Community to complete the application processing and eligibility determination, including interviews required to provide verifications of eligibility and suitability for occupancy consideration.

VI. SELECTION PRIORITIES

The management agent will provide information on the priorities to be used in the selection of families at the Community. This information is contained in the A&O Policy for Park DuValle Phase II. HAL will review and approve these priorities in advance. Management agents will be required to use the priorities specified in the Park DuValle Phase II A&O Policy, subject to such income tiering, unless HAL has provided other specific approval. If the priority to be adopted in any Community-specific A&O Policy vary significantly from the policies provided in HAL's Admissions and Occupancy Policy as approved by HUD, subject to such income tiering, HAL Administrator or her designee will review these preferences with HUD before their use.

The priorities to be used at Park DuValle Phase II are as follows:

1. Households whose head or co-head was a tenant at Cotter Homes or Lang Homes
2. Households whose head or co-head was a member of a household in tenancy at Cotter Homes or Lang Homes
3. Households who have applications on the HAL's Centralized Wait List will be placed on the Site-Based Wait List in conformance with the date of their original placement on the HAL's Centralized List.

VII. ORDER OF APPLICANTS

Applications will be sorted initially by family size and income tier. Applications will then be organized by priorities as set forth above and in the Park DuValle Phase II A&O Policy. Applications for a particular bedroom size unit, by applicants within the same income tier, and having the same level of priority as set forth in the Park DuValle Phase II A&O Policy, will be organized by date and time order. Returning residents of the original Park DuValle public housing development (Cotter Homes and Lang Homes) who were previously required to relocate during a period of demolition and new construction at the Park DuValle site, will be given priority over other applicants on the site-based waiting lists for the Park DuValle Phase II. After all original leaseholders have been accommodated, split households (i.e., adult children of original residents and their families, who received a Section 8 certificate or voucher and relocated separately from the original leaseholder(s)) who apply to Park DuValle Phase II will be given priority based on the seniority of the original leaseholder, within the parameters of the income tiering structure and the requirements of the low income housing tax credit and HOPE VI

programs.

Active applicants on HAL's centralized waiting list as of the date of the initial rent up of Park DuValle Phase II shall be entitled to maintain their date and time order in the development of site-based waiting lists. The management agent for Park DuValle Phase II will request applicants to state on their application forms whether they are on HAL centralized waiting list, and the approximate date of their original application to HAL. To preserve their original date and time order, applicants will be required to authorize HAL in writing, either on the application form or on a separate authorization form, to disclose certain information regarding their initial HAL application to the management agent. Upon receipt of a request for information regarding one or more applicants to Park DuValle Phase II claiming to have filed a prior application with HAL, HAL's designated employee will verify to the management agent whether the applicant is an active applicant on HAL waiting list and, if so, will verify the date and time of the application.

The management agent will use this information to place applicants on the site-based waiting list in the date and time order specified according to the applicants' verified household size, income, and preference status, if any. Applicants will be advised that although an applicant has maintained the date and time order of the application originally placed with HAL, applicants will be selected according to the specific criteria of Park DuValle Phase II. The goal of HAL in providing waiting list information to management agents is to protect the interests and priority of active applicants on its centralized waiting list for public housing units, many of whom have been waiting for lengthy periods of time for access to public housing

As a one-time action designed to further protect the interests of applicants on HAL's central waiting list, HAL's designated employee will advise in writing each applicant on HAL waiting list of the following information:

1. - There will be site-based tenant selection lists in the future upon which current applicants to HAL public housing can place an application.
2. Applicants will be eligible to maintain their current date and time position on HAL waiting list in their applications to the Park DuValle Phase II, subject to the procedures outlined below.
3. To maintain his or her current date and time position, an applicant must state in his or her application at Park DuValle Phase II at which he or she is applying for housing that he or she applied for housing with HAL and remains an active applicant on HAL's waiting list, and must authorize in writing the disclosure of information by HAL's designated employee to the management agent sufficient to verify the applicant's active application status, and the date and time of the applicant's original application to HAL.
4. Upon an applicant's request, HAL's designated employee will specify to

the applicant the date and time of his or her application and active application status as maintained in HAL centralized waiting list files.

As a third means of accommodating the interest of HAL residents and applicants to HAL for housing, HAL agrees that it shall advise all future applicants on the existence of housing at the Park DuValle Phase II and the ability to apply for housing opportunities via the site-based waiting lists. HAL intends to publish a public notice including information on the future availability of the site-based waiting lists at least 30 days prior to the time when such waiting lists are first opened and, upon notification from each management agent, at least 30 days prior to the time when any waiting list which has been closed is reopened. In addition, HAL will require that all future applicants sign a statement acknowledging that they have been advised of the opportunity to apply for housing at Park DuValle Phase II. HAL will maintain information in its Central Applications Office and in the management office for each HAL public housing development related to the Park DuValle Phase II development where an application may be made.

VIII. SCREENING CRITERIA

The screening criteria for Park DuValle Phase II will be set forth in the A&O Policy. These screening criteria may differ from the criteria set forth in HAL's Admissions and Occupancy Policy and shall be subject to HAL approval. The criteria will be designed objectively to screen applicants for housing to ensure the placement of persons prepared to meet the conditions of the lease for Park DuValle Phase II. A&O Policies and management plans will address the method of requesting an informal review of the screening decision.

IX. UNIT OFFERS AND REJECTIONS

Unit offers will be made in accordance with the method specified in the A&O Policy and management plan. When an applicant that has successfully completed the screening process rises to the top of the waiting list within such applicant's income tier based on priority status and date and time of application, the management agent will offer such applicant an opportunity to lease the next unit(s) that is appropriate in size based on the applicant's household size. If an applicant rejects the unit(s) offered, other than for good cause based on the rejection criteria specified in the A&O Policy for Park DuValle Phase II, the applicant will lose his or her place on the waiting list in accordance with A&O Policy. Said rejection will not automatically affect the position of the applicant on any other waiting list for HAL housing whether Community-based or centralized.

X. DISTRIBUTION OF INFORMATION - HAL AND PARK DUVALLE PHASE II

HAL's designated will maintain information on Park DuValle Phase II. Information posted in HAL Central Office and the management offices for each HAL public housing development will include the dates of all open site-based waiting lists and basic information on

Park DuValle Phase II. Community information will include the locations, unit sizes, amenities, and accessibility features for handicapped or disabled persons. HAL will maintain the appropriate fair housing postings.

Park DuValle Phase II will make available appropriate leasing information related to on-site amenities, facilities, social services, schools, and accessibility features for handicapped or disabled persons at the development. Required Fair Housing information will be maintained at all times by the management agent for Park DuValle Phase II.

XI. HAL APPLICATIONS, PUBLIC NOTICES AND WAITING LIST PURGES

HAL's application form for the public housing program will include an advisory note to the applicant that Park DuValle Phase II exists. The notice will also indicate that applicants must apply directly to Park DuValle Phase II in order to establish a position on the site-based waiting list for that development.

XII. PURGING OF WAITING LISTS

The A&O Policy will indicate when the management company will purge the site-based waiting list to update information on applicants for the public housing program. A letter will be mailed to each applicant with a requirement that it be returned to the management company within a specific time. The returned letter includes basic information updates and an affirmative statement that advises of the continued interest of the applicant in the public housing program or a public housing assisted unit. Applicants who do not respond to the letter within the specified period of time are removed from the site-based waiting list. In the future, the management company will include information in the letter to the applicants on the existing site-based waiting list to advise them of the ability to apply for public housing in the various other Communities with site-based waiting lists or with HAL via its centralized waiting list. The letter will also advise the applicant that other site-based waiting lists may open by public notice in the newspaper

XIII. TRANSFERS

Transfers will be resolved within Park DuValle Phase II and a resident desiring to relocate to a different Community will have to submit a new application to the desired Community. Residents may request transfers between units within Park DuValle Phase II and the management agent will address requests for transfers within Park DuValle Phase II in accordance with the policies specified in the Park DuValle A&O Policy. HAL will not transfer residents of other public housing to Park DuValle Phase II. However, HAL will allow residents of the Park DuValle Phase II seeking emergency transfers based on medical condition, security concerns (including physical or extreme or repeated verbal harassment, participation in a witness protection program, desire to avoid reprisals, or domestic violence), or reasonable accommodation of a verified disability or handicap, to apply for transfer to HAL owned and operated public housing.

XIV. REVIEW OF COMMUNITY OPERATIONS

HAL will provide for oversight of the site-based waiting list through several different methods. Management agents will provide information on occupancy, leasing, work orders, unit turnaround, and financial status on a regular basis as required pursuant to the Regulatory and Operating Agreement between the owner of Park DuValle Phase II and HAL. HAL will designate appropriate personnel to take responsibility for reviewing these documents, reports and statements regularly to determine compliance of lease-up and management with income eligibility criteria and other requirements of the Park DuValle Phase II A&O Policy, compliance with Fair Housing requirements, and such other matters as to which reporting is required under the applicable Regulatory and Operating Agreement.

The A&O Policies, management plans, regulatory and operating agreements and the marketing plans specify document retention as required by the HUD regulations. These records include the related application documents, waiting lists, publications, and letters to applicants. HAL Administrator or her designee will ensure the review of these documents to determine the accurate utilization of the waiting list by the management agent. This review may be accomplished by an independent auditor, HAL staff, or management review conducted by private agents contracted to perform these reviews. If an individual to whom HAL Administrator has delegated this review function determines that there exist problems with the operation of the site-based waiting list, HAL will undertake the appropriate measures to resolve these problems.

A

**THE HOUSING AUTHORITY OF LOUISVILLE
ADMISSION AND CONTINUED OCCUPANCY POLICY**

Effective June 17, 1997

**THE HOUSING AUTHORITY OF LOUISVILLE
ADMISSION AND CONTINUED OCCUPANCY POLICY
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INTRODUCTION

This document presents the policy governing admission to leasing and continued occupancy of rental properties operated by the Housing Authority of Louisville (hereinafter referred to as "HAL" or "the Authority"). All housing managed by HAL is covered by this policy. HAL is responsible for interpretation and implementation of this policy as well as reviews to guarantee the financial stability of the agency, the stability of its housing apartments, and the health and safety of its residents.

The policy is designed to:

1. Assure the provision of decent, safe and sanitary living environments for residents in keeping with all applicable laws and regulations of the United States Department of Housing and Urban Development (hereinafter referred to as "HUD"), State of Kentucky, City of Louisville, and generally accepted professional property management practices and standards.
2. Encourage responsibility on the part of applicants, residents and HAL. Applicants and residents are expected to conduct themselves in a responsible manner by complying with the eligibility and occupancy standards described in this policy document. Likewise, HAL recognizes its responsibility to protect the interests of applicants and residents.
3. Provide applicants and residents the right to grieve HAL decisions relative to the resident admission process or continued occupancy process through HAL's two-step grievance procedure: a) informal conference, b) impartial grievance hearing.

01.00 DEFINITION OF TERMS

Included in this section are definitions of terms used in the policy for resident admission and continued occupancy.

01.01 ADJUSTED FAMILY INCOME

The income on which rent is to be based is the total family income less: (1) \$480.00 for each dependent, (2) \$400.00 for elderly, disabled or handicapped head or spouse, (3) handicap assistance allowance, (4) medical deductions (elderly only), (5) child care expenses.

01.02 ADJUSTED INCOME

Deductions are utilized to arrive at a family/individual's adjusted income. The definitions for deductions are described below:

1. Dependent Allowance: The allowance for dependents is \$480.00 per dependent and includes any family member who is:
 - a. Under 18 years old, or
 - b. Handicapped or disabled, or
 - c. A full-time student (the regulations clarify that an educational institution includes a vocational school with a diploma or certificate program as well as an institution offering a college degree).

NOTE: The Head of Household, spouse, foster child or live-in aide are never counted as dependents.

2. Elderly Family Allowance: Families in which the head of household or spouse is at least 62 years of age, handicapped, or disabled are entitled to a \$400 family allowance. Only one allowance per family is permitted even if both the head of household and spouse are considered elderly as defined by HUD.
3. Medical Allowance: Medical allowances are based on medical expenses and are permitted ONLY for families in which the head of household or spouse is at least 62 years of age, handicapped or disabled. The following items will be taken into consideration if the family is eligible for a medical expense deduction:
 - a. Medical expenses of all family members
 - b. Expenses that are not covered by insurance or other sources that are anticipated to be incurred during the 12 months following the family's initial certification/reexamination, such as:
 1. Services of doctors and health care professionals
 2. Services of health care facilities
 3. Medical insurance premiums
 4. Prescription/non-prescription medicines
 5. Transportation to and from treatment facilities
 6. Dental expenses
 7. Eyeglasses, hearing aids, batteries
 8. Live-in aide or periodic medical assistance
 9. Monthly payments(s) on accumulated medical bills
 10. Medical care of a permanently confined family member if his/her income is included in annual income

NOTE: This deduction is only given if expenses exceed three percent (3%) of annual household income.

4. Handicap Assistance Expense: Families may deduct reasonable anticipated expenses during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a handicapped member if such expenses are needed to enable a family member (including the handicapped member) to be employed, provided that the

expenses are neither paid to a member of the family nor reimbursed by an outside source, or if medical expenses exceed three percent (3%) of annual income.

NOTE: Any family with a handicapped or disabled family member may qualify for this allowance whether or not the head of household or spouse is handicapped or disabled.

Handicap allowances include, but are not limited to auxiliary apparatuses which may include some of the following items: wheelchairs, ramps, adaptations to vehicles, special equipment to enable a blind person to read or type. Auxiliary equipment purchases should be directly related to permitting the handicapped person or the head of household to work.

5. Child Care Expense-Allowance: Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a Family member to be gainfully employed or to further their education and only to the extent that such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. The amount deducted shall not exceed the amount of income received from the employment which mandated the necessity of child care.

NOTE: Child care deductions can only be given when children are under the age of 13 years.

01.03 ADULT

A household member who has reached the age of legal majority in the State of Kentucky, and is therefore capable of being legally bound by the terms and conditions of the HAL lease.

01.04 ANNUAL INCOME

Annual Income is the anticipated total income from all sources received by the family head and spouse (even if temporarily absent) and by each additional member of the family, including all net income derived from assets, for the 12-month period following the effective date of initial examination or reexamination of income, exclusive of income that is temporary, non-recurring or sporadic and exclusive of certain other types of income specified in 24 CFR Part 913.106.

If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period may be annualized, subject to a reexamination at the end of the shorter period.

Annual income, as defined by HUD, includes all amounts, monetary or not, which:

1. Are received by or on behalf of the family head or spouse (even if temporarily absent) or to any other family member.
2. The full amount, prior to any payroll deduction, of wages, salaries, overtime pay, commissions, fees, tips, bonuses and other compensation for personal services.
3. Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine net income from a business. An allowance for depreciation of assets used in a business or profession may be deducted based on straight-line depreciation as granted through the Internal Revenue Service regulations.

NOTE: Any withdrawal of cash or assets from the operation of a business or profession will be included as income, with the exception that the withdrawal is reimbursement of cash or assets invested in the operation by the family.

4. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. When the family has net family assets in excess of \$5,000, annual income shall include the greater of annual income derived from all net family

assets, or a percentage of the value based on the current passbook savings rate (periodically determined by HUD) will be used. An allowance for depreciation is permitted only as authorized in part 01.04.3 of this Section.

5. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts including a lump sum payment for the delayed start of a periodic payment, except for lump sum payments identified in Section 01.04 below.
6. Payments in lieu of this earnings, such as unemployment and disability compensation, worker's compensation and severance pay.
7. Periodic and determinable allowances such as alimony and child support payments and regular contributions or gifts received from persons not residing in the apartment.
8. Welfare Assistance -- If the Welfare Assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income shall consist of:
 - a. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus
 - b. The maximum amount the Welfare Assistance agency would allow a Family for shelter and utilities. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.
9. All regular pay, special pay, and allowances earned in the Armed Forces by the head of household, spouse or other person(s) whose dependents are residing in the apartment (whether or not family member is living in the apartment).

01.05 **APPARENTLY ELIGIBLE**

A person who has completed the eligibility interview and whose verifications have not all been received.

01.06 **APPLICANT**

A person who is in the application process.

01.07 **CEILING RENTS**

Rents intended for families whose incomes have increased to the point that an income-based rent is unreasonable for the housing provided. Ceiling rents are based on HUD's fair market rents. Residents who pay the same amount of rent or a higher amount of rent than the fair market rent prescribed by HUD will be kept at a ceiling rent. A family may go on and off ceiling rent because of changed financial circumstances.

01.08 **CONFLICTING DEFINITIONS**

If any definitions contained herein conflict with 24 CFR Parts 912, 913, 960, or 966, or any other applicable Part, then such definitions shall be null and void and the relevant Part(s) shall apply.

01.09 **CONTRACT RENT**

The rent charged to resident(s) for the use of the apartment accommodation equipped with range and refrigerator and provided with municipal services, including reasonable utility usage. Utility amounts will be determined in accordance with HAL's utility allowance. Contract Rent does not include security deposits, charges for utility consumption in excess

of the calculated allowance, charges for damages, assessed late charges for failure to pay rent as scheduled, or charges for the resident's failure to carry out maintenance and housekeeping tasks in accordance with the terms of the lease.

01.10 DEPENDENT

A member of the Family household (excluding foster children) other than the family head or spouse, who is under 18 years of age, disabled, handicapped or a full-time student.

01.11 DISABLED PERSON

A single disabled person as defined in Section 223 of the Social Security Act (42 U.S.C. 423), or who has a development disability as defined in Section 102 (7) of the Development Disabilities Assistance and Bill of Rights Act (42 U.S.C.6001(7)):

1. Section 223 of the Social Security Act states: "(1) Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months; or (2) in the case of an individual who has attained the age of 55 and is blind (within the meaning of "Blindness" as defined in Section 416(i) of this title), inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which they have previously engaged with some regularity over a substantial period of time", or
2. Section 102(5) of the Social Security Act states: "A disability attributable to mental retardation, cerebral palsy, epilepsy, or another neurological condition of an individual found by the Secretary of Health and Human Services to be closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals, which disability originates before such individual attains age 18, which has continued or can be expected to continue indefinitely and which constitutes a substantial handicap to such individual."

01.12 DISPLACED PERSON

A person displaced by a governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a declared disaster formally recognized under Federal disaster relief laws.

01.13 ELDERLY FAMILY

A family whose head or spouse (or sole member) is an elderly, disabled or handicapped person. It may include two (2) or more elderly, disabled or handicapped person(s) living together, or one (1) or more of these persons living with one or more live-in aide(s).

01.14 ELDERLY PERSON

A person who is 62 years of age or older.

01.15 EXCLUSIONS TO ANNUAL INCOME

The following delineates exempt income as prescribed by HUD:

1. Income from employment of children (including foster children) under the age of 18 years.
2. Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone).
3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as defined in #5 below).
4. Amounts received by the Family, that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
5. Income earned by live-in aide(s) as defined in 24 CFR 5.403.
6. The full amount of student financial assistance, paid directly to the student or to the educational institution.
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
8. Amounts funded under federal, state and local training programs and approved as exclusions by HUD:
 - a) Amounts received by a disabled person 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).
 - b) Amounts received by a participant in other publicly assisted programs which are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.
 - c) A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for HAL, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to lawn maintenance, fire patrol, hall monitoring, and resident initiatives coordination. No Resident may receive more than one such stipend during the same period of time.
 - d) Compensation from State or local employment training programs and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance.
9. Temporary, nonrecurring or sporadic income (including gifts).
10. For all initial examinations and reexaminations of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
11. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse).
12. Adoption assistance payments in excess of \$480 per adopted child.
13. Deferred periodic payments of Supplemental Security Income and Social Security benefits that are received in a lump sum payment or in prospective monthly amounts.
14. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
15. Amounts paid by a state agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

16. The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, Section 22 of the U.S. Housing Act of 1937 (42 U.S.C. 1437 et seq), or any comparable Federal, State, or local law during the exclusion period (the period during which the resident participates in a program described in this section, plus 18 months from the date the resident begins the first job acquired by the resident after completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937 (42 U.S.C. 1437 et seq). If the resident is terminated from employment without good cause, the exclusion period shall end.

Earnings and Benefits means the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

Comparable Federal, State or local law means a program providing employment training and supportive services that:

- a. Is authorized by a Federal, State or local law;
- b. Is funded by the Federal, State or local government;
- c. Is operated or administered by a public agency; and
- d. has as its objective to assist participants in acquiring employment skills.
- e. Exclusions period means the period during which the family member participates in a program described in this section, plus 18 months from the date the family member begins the first job acquired by the family member after completion of such program that is not funded by public housing assistance under the 1937 Act. If the family member is terminated from employment with good cause, the exclusion period shall end.

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

18. Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under section 101 of the U.S. Housing Act of 1937. A notice will be published in the *Federal Register* and distributed to HAL identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. The following is a list of benefits that qualify:

- a. Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4636)
- b. The value of the allotment provided to an eligible household for coupon under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
- c. Payment 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 Job Training Partnership Act (29 U.S.C. 1552(b))
- h. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-2504)
- i. The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commissions or the Court Claims (25 U.S.C. 1407-1408) or from funds held in trust for an Indian tribe by the Secretary of the Interior (25 U.S.C. 117b, 1407)
- j. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu); also see (24 CFR 913.106)
- k. Payments received from programs funded under Title V of the Older Americans Act of 1965 (42 U.S.C. 3056(f))
- l. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, MD.L. No. 381 (E.D.N.Y.)
- m. Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, 94 Stat. 1785)

- n. 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 Act of 1990 (42 U.S.C. 39858q)

01.16 FAMILY

"Family" includes but is not limited to: a single person, or a single pregnant woman or two or more persons sharing residency who are either related by blood, marriage, operation of law, or adoption; or who are listed as family members by a social service agency and by whom monies are being received by the head of household to take care of family members, or who maintain and can verify a continuous stable relationship of five or more years.

NOTE: Includes a foster child or adult living alone during the temporary absence of a family member who later will return and live regularly in the apartment of the family.

01.17 FULL-TIME STUDENT

A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program as well as an institution offering a college degree.

01.18 GROSS INCOME

Same as Total Family Income.

01.19 HANDICAPPED PERSON

A person who has a physical or mental impairment that is expected to be long-continued and of indefinite duration, if the handicapped person is substantially impeded in one or more major life activity, has a record of such an impairment or is regarded as having such an impairment which impedes the person's ability to live independently and is of such a nature that the disability could be improved by more suitable housing conditions in accordance with Section 102(7) of the Developmental Disability Assistance Act and the Bill of Rights Act (42 U.S.C. 600 (7)).

01.20 HEAD OF HOUSEHOLD

Families will be encouraged to select the adult member of the family who earns the most income and meets the definition of an adult as defined in Section 01.03. This individual will be responsible for signing HAL's lease and held accountable for the family on HAL's application and lease.

01.21 INCOME TO DETERMINE ELIGIBILITY

The income used to determine eligibility for admission and continued occupancy, also known as "gross annual income." HUD will establish schedules of income limits for determining whether families qualify as Lower-Income Families or Very-Low Income Families or whether families are over income and not eligible for public housing. (Attachment A, HUD Income Limits).

01.22 LIVE-IN AIDE

A person residing with an elderly, disabled or handicapped person who meets the Housing Authority of Louisville's eligibility standards (with the exception of gross annual income), and is present to assist HAL's residents on a 24-hour basis, along with the following criteria:

1. Is determined by HAL to be essential to the care and well-being of the residents(s) s/he will care for, and
2. Is not obligated to support the person, and
3. Would not be living in the apartment except to provide necessary supportive services.

NOTE: A relative may qualify as a live-in aide if the above conditions are satisfied.

01.23 LOWER INCOME FAMILY

A Family whose income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80 percent of the median income based on its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

01.24 MEDICAL EXPENSES

Medical Expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed and that are not covered by insurance (Deduction given to elderly, disabled and handicapped only).

Deductions are given for:

1. any family that is not an elderly family or disabled family but has a member (other than the head of household or spouse) who is a person with a disability, disability assistance expenses in excess of three percent of annual income, but this allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the person with disabilities;
2. any elderly family or disabled family:
 - a. that has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed three percent of annual income;
 - b. that has disability assistance expenses greater than or equal to three percent of annual income, an allowance for disability assistance expenses computed in accordance with paragraph 1. of this section, plus an allowance for medical expenses that is equal to the family's medical expenses;
 - c. that has disability assistance expenses that are less than three percent of annual income, an allowance for combined disability assistance expenses and medical expenses that is equal to the amount by which the sum of these expenses exceeds three percent of annual income.

01.25 MILITARY SERVICE

A person who is actively enrolled with any of the military services of the United States, including Army, Navy, Air Force, Marine Corps, and Coast Guard, or in the commissioned corps of the United States Public Health Services since July 29, 1945.

01.26 MONTHLY ADJUSTED INCOME

One-twelfth of Adjusted Annual Income.

01.27 MONTHLY INCOME

One-twelfth of annual income.

01.28 NEAR ELDERLY FAMILY

A family whose head or spouse (or a sole family member who) is between 50 and 61 years of age.

01.29 NET FAMILY ASSETS

Assets which are not income but may generate real or imputed income from such items as identified below:

1. Current amounts in savings accounts and the average balance for the last twelve (12) months in checking accounts.
2. Stocks, bonds, savings certificates, money market funds and other investment accounts.
3. Equity in real property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset. Does not include equity in an owner-occupied cooperative or manufactured housing apartment.
4. The cash value of any trusts available to the family. Does not include the value of trust that no member of the family or household can control. The value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. However, any income distributed from the trust shall be counted when determining the family's annual income.
5. IRA, Keough and similar retirement savings accounts. These are included as assets because participation is voluntary and the family has access to them, even though withdrawal would result in a penalty.
6. Company retirement/pension funds:
 - a. While the family member is employed, amounts the family can withdraw without retiring or terminating from employment.
 - b. At retirement or termination of employment, any amount the member elects to receive as a lump sum. (If benefits will be received through periodic payments, include the benefit in annual income.)
7. Assets disposed of for less than Fair Market Value:
 - a. For any assets the family has disposed of for less than fair market value during two (2) years prior to the effective date of admission or reexamination, the difference between the market value and actual amount received. Example: Applicant sells her home to her daughter for \$5,000.00. The home is valued at \$19,500 and has no loans secured against it. Broker's fees and settlement costs were \$3,500.00. The amount to be included as an asset is \$11,000.00 (\$19,500.00 minus \$3,500.00 (Broker's fees) minus \$5,000.00 sale price for daughter).

- b. **Disregard** nominal amounts in a family's checking account that are required to meet the family's normal day-to-day needs.
 - c. **Disregard** assets disposed of as a result of a divorce or separation agreement for less than fair market value if the family has received consideration not measurable in dollar terms.
8. Business assets are **not** considered in determining the value of net family assets; however, if business assets have been disposed of for less than fair market value in the two (2) years preceding the effective date of admission to a HAL apartment or reexamination of eligibility, then the difference between the amount realized and the fair market value is included as a net family asset. In this regard, business assets are treated the same as any other family asset(s).
 9. Joint assets owned by more than one family member, or to any family member who has unrestricted access to assets.
 10. Lump sum receipts shall be included as an asset and shall include such items as inheritances, capital gains, one-time lottery winnings, settlements on insurance and other claims, settlements, and proceeds from the sale of property.
- NOTE: Generally, lump sum monetary amounts received by a family are considered assets, not income.
11. Personal property held as an investment, including gems, jewelry, coin collections, or antique cars.
 12. Life insurance which is not classified as term insurance.

01.30 **NET FAMILY ASSETS EXCLUSIONS**

Assets which are not included when calculating rents. The following delineates exempt assets as prescribed by HUD:

1. Necessary personal property (furniture, clothing, cars, etc.). In distinguishing necessary personal property from assets, HAL will consider the following:
 - a. Necessary personal property usually not expected to increase in value, and
 - b. Necessary personal property usually used by the owner.
2. Vehicles especially equipped for the handicapped.
3. Assets not accessible to the family which provide no income for the family.
4. Assets that are a part of an active business or farming operation.
5. The equity in owner-occupied cooperatives and manufactured homes in which an assisted family lives.
6. Wedding rings and other personal jewelry.

01.31 **NON-CITIZENS/STUDENT-ALIEN (NISA)**

Housing assistance may be provided only to:

1. citizens or
2. non-citizens who have eligible immigration status in one of the following categories:
 - a. A non-citizen who has been lawfully admitted to the U.S. for permanent residence, as defined by Section 101(a)(20) of the Immigration Act (INA); as an immigrant, as defined by Section 101(a)(15) of the INA (8 U.S.C. 1101(a)(20) and 21101(a)(15), respectively (immigrants). This category includes a non-citizen who has

been admitted under Section 210 or 210A of the INA (8 U.S.C. 1160 or 1161) (*special agricultural worker*), and who has been granted lawful temporary resident status:

- b. A non-citizen who entered the U.S. before January 1, 1972, or such later date as enacted by law, and who has continuously maintained residence in the U.S. since then, and who is not ineligible for citizenship, but who is deemed to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General under Section 249 of the INA (8 U.S.C. 1259):
- c. A non-citizen who is lawfully present in the U.S. pursuant to an admission under Section 207 of the INA (8 U.S.C. 1157) (*refugee status*); pursuant to the granting of asylum (which has not been terminated) under Section 208 of the INA (8 U.S.C. 1158) (*asylum status*); or as a result of being granted conditional entry under Section 203(a)(7) of the INA (U.S.C. 1153(a)(7) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic national calamity:
- d. A non-citizen who is lawfully present in the U.S. as a result of an exercise of discretion by the Attorney General for emergent reasons or for reasons deemed strictly in the public interest under Section 212(d)(5) of the INA (8 U.S.C. 1182(d)(5) (*parole status*)):
- e. A non-citizen who is lawfully present in the U.S. as a result of the Attorney General's withholding deportation under Section 243(h) of the INA (8 U.S.C. 1253(h)) (*threat to life or freedom*): or
- f. A non-citizen lawfully admitted for temporary or permanent residence under Section 245A of the INA (8 U.S.C. 1255a) (*amnesty granted under INA 245A*).

NOTE: Housing assistance may be provided only to those family members who have signed the Restrictions in Assistance to Non-citizens Declaration Form, which states that they are lawfully residing in the United States.

01.32 **PRE-APPLICANT**

A person who has completed and submitted the basic pre-application form to HAL's Department of Occupancy and Leasing for housing.

01.33 **PREFERENCES**

Priority status given to applicants for selection purposes based on HAL's preferences. (See Section 101.06 of this document)

HAL's local preference for applicants are:

1. Working families
2. Families that live and work in Jefferson County
3. Applicants who will reside in any of HAL's developments once eligibility is determined

01.34 **PUBLIC HOUSING AGENCY (PHA)**

Any state, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development or operation of housing for lower income families.

01.35 **REASONABLE ACCOMMODATION OF DISABILITY**

Reasonable accommodation expenses such as the hiring of persons specializing in sign language will be borne by HAL to facilitate the full enjoyment of premises by disabled individuals (disabled being defined by the Social Security Administration). HAL may pay for modifications of an apartment, designated parking spaces, ramps and other improvements in the common area if none of the designated accessible areas for disabled individuals are available and/or if it is *financially feasible* for HAL to bear these costs.

01.36 RECURRING CONTRIBUTIONS & GIFTS

Recurring contributions and gifts from person(s) outside the household count as income. This may include rent, utility, phone, car and other types of payments paid on behalf of the family. Other cash or non-cash contributions provided on a regular basis will also be counted as income.

01.37 REMAINING FAMILY MEMBER

Any household member who has resided in a HAL apartment for a period of no less than one (1) year and who meets the continued occupancy eligibility criteria as described in this Policy may become a remaining family member at the sole discretion of HAL upon the permanent departure of the original head of household and spouse.

01.38 SINGLE PERSON

A person who lives alone or intends to live alone, and who does not qualify as an Elderly Family is considered a family and is eligible for placement if s/he meets HAL's eligibility criteria.

01.39 SINGLE PREGNANT WOMAN

A single pregnant woman is considered a family and is eligible for placement in a one (1) bedroom apartment if HAL's eligibility criteria are met.

NOTE: In cases where an immediate determination cannot be made regarding pregnancy, the Authority may require a physician's certification.

01.40 SPOUSE

The husband or wife of the head of household.

01.41 TEMPORARILY ABSENT FAMILY MEMBER

A family member who is identified on the lease but is temporarily absent from the apartment. HAL will count all income of every family member who is on the lease including those who are temporarily absent.

01.42 TOTAL TENANT PAYMENT (TTP)

The monthly amount of rent calculated according to CFR 24 Part 913.107, not including charges for excess utility consumption or other miscellaneous charges.

01.43 UTILITY ALLOWANCE

A monthly amount equal to an estimate made by the Housing Authority of Louisville for the cost of reasonable consumption of electricity, water and/or gas for an apartment. The estimate shall be based on a conservative household

of modest circumstances consistent with requirements of a safe, sanitary and healthful living environment. Utility allowances shall be calculated in accordance with HUD guidelines.

1.44 UTILITY REIMBURSEMENT

The amount, if any, by which the Utility Allowance for the apartment, if applicable, exceeds the Total Tenant Payment for the family occupying the apartment who is paying a Contract Rent.

01.45 VERY LOW INCOME FAMILY

A family whose annual income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

101.00 ADMISSION GUIDELINES

Applicants for HUD-assisted public housing apartments operated by HAL must meet certain standards for admission before approval for occupancy is granted.

101.01 APPLICATION AND NOTIFICATION

There are two (2) types of applications -- pre-applications and regular applications. Both will determine if an applicant is eligible for HAL housing. HAL will use the following policy to process pre-applications and applications and to notify applicants:

1. Applicant meets all the requirements governing eligibility for admission as set forth in Section 101.02 or that the applicant does not meet the requirements and is ineligible for admission as set forth in Section 101.03.
2. Eligibility will be determined on the basis of verification of income and other pertinent information. Each applicant shall provide upon request by HAL all verification needed for proper determination as to eligibility, rent and apartment size. Each member of a family applying for residency at HAL shall upon request furnish any and all authorizations needed and requested by HAL to check criminal records, housing-related credit references and any other information which specifically relates to the determination of applicant's eligibility. Failure to furnish authorizations will result in ineligibility of those persons refusing to comply.
3. Determination of eligibility will be made by the HAL Occupancy Department in accordance with this admission policy and any other procedures prescribed by HAL and will be subject to review by the HAL Executive Director or designee.
4. A member of a family who is currently residing in a HAL apartment and who wishes to apply for HAL housing of his/her own may submit an application while still living with the family.
5. Notification of eligibility interviews will be scheduled based on HAL preference points and priorities and available vacancies according to bedroom size. Notification must be given if any changes in status occur.
6. HAL will notify pre-applicants and applicants within a reasonable amount of time whether or not they are eligible. Any dispute can be settled through the Grievance Procedure.
7. HAL will notify eligible applicants on the waiting list of the approximate date they can be housed insofar as can be reasonably determined.

101.02 ELIGIBILITY GUIDELINES FOR ADMISSION

To be eligible for admission to the Housing Authority of Louisville, applicant must meet all of the following requirements:

1. The applicant must qualify as a family as defined in Section 01.16 and/or an adult as defined in Section 01.02.
2. The applicant's annual income must be equal to or less than the appropriate income limits. The Housing Authority shall admit only Very Low Income Families to its apartment(s) or apartment(s) which were available for occupancy on or after October 1, 1981.
3. All applications must conform to the Occupancy Standards established in Section 101.08.
4. The applicant must demonstrate that s/he has the ability to abide by HAL's lease, or that s/he is able to secure the services of others to provide for same.
5. The applicant must not fall within the ineligible categories as outlined in Section 101.03 of this document.

6. The applicant must have a satisfactory rental history, i.e., must not have a record of disturbance of neighbors, destruction of property, or living or housekeeping habits at a prior residence which may have an adverse effect on the health, safety, or welfare of other residents.
7. The applicant and all applicant household members 16 years or older must not have a history of violent physical crimes to people or property, or other criminal acts which would have an adverse effect on the health, safety, and welfare of other residents or which involve illegal drugs.
8. The applicant must sign at the time of the eligibility interview the Restrictions In Assistance to Non-citizens Declaration Form, delineated in Section 214 of the Housing and Community Development Act of 1980 as amended. This form declares the applicant to be lawfully residing in the United States.
9. Admission must be denied to any person who:
 - a. the Authority determines is illegally using a controlled substance; and
 - b. the Authority has a reasonable cause to believe abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

However, HAL may waive the requirement to deny admission if the person demonstrates to HAL's satisfaction that the person is no longer engaging in the drug-related activity or abuse of alcohol and:

- a. has successfully completed a supervised drug or alcohol rehabilitation program;
- b. is participating in a supervised drug or alcohol rehabilitation program.

101.03 CATEGORIES OF INELIGIBILITY FOR ADMISSION

Families who fall within the following categories may be declared ineligible for admission by the HAL Occupancy Department, subject to review by HAL Executive Director or designee. However, before such determination is made, consideration shall be given to favorable changes in the family's pattern of behavior, a lapse of years since occurrence of an offense and to other extenuating circumstances which offer reasonable assurance that the family meets HAL's admissions standards. The below listed types of conduct by a family or individual family member may make the entire family ineligible to live in a HAL apartment. Ineligibility may be declared for applicants who have:

1. Unfavorable past performance in meeting housing-related financial obligations absent extenuating circumstances.
2. A verifiable history of serious disturbance of neighbors, destruction of property, acts of violence, or living or housekeeping habits at prior residences which would adversely affect the health, safety or welfare of other residents, employees or property.
3. Patterns of criminal behavior involving arson, or rape, or indecent exposure, or sodomy, or carnal abuse, or prostitution, or impairing the morals of a minor, or murder, or robbery, or burglary, or kidnapping, or carrying a concealed deadly weapon, or any acts of violence or illegal drug activity.
4. No applicant shall use, possess, manufacture, distribute or sell any illegal substance of any kind or nature. Furthermore, no applicant shall be associated with the use, possession, manufacture, distribution or sale of any illegal drug or illegal substance of any kind or nature. Any such aforementioned conduct shall be grounds and cause for the rejection of an applicant from residing in public housing.
5. Any applicant against whom the Housing Authority of Louisville has obtained a prior judgment for possession in the Forcible Detainer Court may not be granted occupancy with HAL for a period of three years following such judgment or until there is sufficient and verifiable documentation which at the sole discretion of the Housing Authority of Louisville indicates substantial rehabilitation of the behavior that resulted in the forcible detainer action with the end result being a judgment for possession.

6. Any applicant shall not be allowed occupancy without a substantial and verifiable justification as long as there are unresolved, unanswered criminal matters pending against the applicant or there are outstanding criminal charges pending for which there has been no final disposition.
7. Any applicant shall not be allowed occupancy if s/he has been convicted of three or more alcohol related criminal offenses within a three year period prior to the date of application, unless the applicant is able to furnish sufficient and verifiable documentation which at the sole discretion of the Housing Authority of Louisville indicates substantial rehabilitation of an alcohol or chemically dependent condition.
8. If an applicant has been evicted from any form of housing assisted under the U.S. Housing Act (Public, Indian, Section 8, or Section 23 housing) because of drug-related activity (drug use or drug distribution) by any member of the applicant family, the applicant is ineligible for admission to HAL for three years from the date of that eviction.

NOTE: HAL may waive this restriction for a particular applicant if HAL determines that:

1. the evicted person has successfully completed a rehabilitation program approved by HAL;
2. the circumstances leading to the eviction no longer exist. For example:
 - a. the applicant clearly did not participate in or know about the drug-related activity; or
 - b. the applicant no longer participates in any drug-related activity.

101.04 SELECTION OF APPLICANTS FOR RESIDENCY

HAL will not on account of race, color, religion, sex, disability, familial status, or national origin deny to any family the opportunity to lease or rent an apartment suitable for their needs in any HAL development.

Selection will be conducted in such a manner so as to exclude applicants whose habits and practices may reasonably be expected to have a detrimental effect on HAL's residents or the community environment.

101.05 GOVERNING CONDITIONS FOR SELECTION OF APPLICANTS

The Housing Authority of Louisville is mandated to provide a decent home and suitable living environment for low income families. Its primary consideration shall be to attain a resident body in each development composed of families with a broad range of income and rent-paying ability which is generally representative of the range of income and rent-paying ability of lower income families in the Housing Authority of Louisville's area of operation as defined by State Law.

To achieve and maintain financial stability in each development, the Housing Authority of Louisville shall select for admission those eligible families whose rent-paying ability is sufficient to maintain financial solvency of the Housing Authority of Louisville (HAL) in accordance with State Law.

101.06 ORDER OF SELECTION

Applicant(s) shall be offered a suitable apartment of appropriate size unless circumstances exist as described in section 101.08 (2) and (3) of this document.

Each priority and preference has been assigned numerical points based on local community needs. Selection will be based on the total number of points that an applicant has been assigned after eligibility has been declared. In cases where two or more applicants' numerical points are equivalent, selection will be based on the chronological order in which their applications are determined eligible.

HAL has chosen to aggregate its priority and preference selection categories when selecting applicants for placement.

<u>1. Priority Selection Categories</u>	<u>Points</u>
a. <u>Elderly</u>	<u>150</u>
b. <u>Disabled</u>	<u>150</u>
c. <u>Handicapped</u>	<u>150</u>
<u>2. HAL's Preference Categories</u>	
a. <u>Working families or full time students</u>	<u>165</u>
b. <u>Families that live or work in Jefferson County</u>	<u>150</u>
c. <u>Involuntarily displaced</u>	<u>90</u>
d. <u>Living in substandard housing</u>	<u>80</u>
e. <u>Paying more than 50 Percent of Family Income for Rent</u>	<u>70</u>
f. <u>Applicants who will reside in any of HAL's developments once assignment is determined based on vacancies</u>	<u>40</u>

NOTE: Based on HAL's system of selection, applicants who have a larger number of priority and preference points will outrank an applicant qualifying with a smaller number of priority and preference points.

Near elderly single persons may be given a preference for admission over other single persons to housing developments for the elderly only.

Working families include those in which at least one family member is a full-time student at an accredited educational institution or is currently enrolled in a bona-fide job training or vocational program which will enhance employment opportunities.

101.07 RESIDENT ASSIGNMENT

Residents will be assigned according to the following policy criteria:

1. Only an appropriately-sized apartment can be offered to the applicant. HAL intends to avoid overcrowding and under-utilization of space. The intent will be to provide satisfactory space upon initial assignment of an applicant to an apartment. A family may, however, choose a smaller apartment than that offered by HAL.
2. Whenever possible, efforts will be made to fill vacant apartments at the minimal level of occupancy within the framework of HAL occupancy standards as stated in Section 101.08 of this policy.
3. Applicants will be assigned one apartment by the manager. If an applicant refuses the offer of housing, absent extenuating circumstances as determined by HAL, s/he may be placed at the bottom of the waiting list, or his/her application may be withdrawn for a period of one year. An applicant may be allowed to reapply for housing at HAL one year from the date of withdrawal. Extenuating circumstances shall be determined if the applicant presents satisfactory evidence that acceptance of the apartment would result in undue hardship related to health or handicap, or hardship due to inaccessibility of transportation to their place of employment. If extenuating circumstances exist, the application will not be re-numbered or withdrawn; those individuals will be accommodated based on their hardships.
4. If the applicant is willing to accept the apartment offered but is unable to move at the time of the offer, s/he must present to HAL clear evidence of the inability to move. If the evidence meets HAL's satisfaction, refusal of the offer shall not require the application to be removed for a period of one year from the applicant waiting list. However, the specific apartment originally offered shall not be held for the applicant, even though s/he remains in the same place within the applicant pool. Individuals in this case will be accommodated based on hardship.

5. HAL shall, to the greatest extent possible, assure the fair placement of residents with regard to these policies. In the event of disagreement between the applicant and HAL, the applicant may request a hearing under the terms of the HAL Grievance Procedure.
6. In order to attract eligible elderly residents when high vacancy rates exist in high rises, HAL may allow elderly applicants the opportunity to select a high-rise development of their choice.

101.08 OCCUPANCY STANDARDS

The following policies will guide HAL's coordination of resident assignments with available space:

1. To avoid overcrowding and prevent wasted space, apartments are to be leased in accordance with the occupancy standards set forth in number (8) of this section.
2. In the event there are apartments which cannot be filled with families of appropriate and verifiable size after all possible efforts have been made to receive applications, eligible families of the most nearly appropriate and verifiable size will be assigned apartments with the understanding that the families will transfer to apartments of the proper size at the discretion of HAL.
3. HAL may, from time to time, place families smaller than the required occupancy standards in larger apartments when bedrooms have little square footage, or to reduce density at particular developments.
4. Apartments will be assigned insofar as possible so that persons of the opposite sex, other than husband and wife, will not occupy the same bedroom. Nor shall a single parent and minor child be expected to share the same bedroom, unless the circumstances in paragraph 2 above (of this section) exist.
5. Efforts shall be made to assign space so as not to require the use of the living room for sleeping purposes except in efficiency apartments.
6. Additional space may be assigned by HAL as deemed necessary due to age, illness or disability, or other justifiable reasons as determined by HAL.
7. Every family member residing in the household regardless of age is to be counted as a person.
8. The following standards will be used as a guideline regarding the minimum and maximum number of persons who will occupy an apartment. Restraints of financial solvency and program stability will be applied. Assignments of apartment sizes as indicated below will be determined based on HAL's and the applicant family's needs.

NOTE: The assignment of apartment size may be determined by family choice.

APARTMENT SIZE BY NUMBER OF OCCUPANTS

SIZE (No. of Bedrooms)	MINIMUM No. of Occupants	MAXIMUM No. of Occupants
0	1	1
1	1	2
2	2	4
3	3	6
4	6	8

5	8	10
6	10	12

101.09 INCOME RESTRICTIONS

Not more than 25% of the apartments that were available for occupancy before October 1, 1981 and that were leased on or after that date shall be available for Lower Income Families other than Very Low Income Families. Apartments initially available on or after October 1, 1981 are only available to Very Low Income Families.

101.10 INCOME LIMITS

1. Income limits established by HUD for admission are included as Attachment #1. HUD may periodically revise the income limits in accordance with changing economic conditions.
2. Eligibility for admission is limited to those families whose Gross Family Income falls within the applicable income limits.
3. Current income limits are required to be posted at each of HAL's Developments.

101.11 APPLICANT ORIENTATION

Eligible applicants and families selected for residency will be required to view an orientation video and participate in an orientation program conducted by HAL to acquaint new resident families with HAL policies, the lease agreement, resident/landlord responsibilities and obligations, and the operation of equipment and appliances in the apartments. All applicants will be shown the full orientation video and the *Admission and Continued Occupancy Policy* at the orientation session. Any applicant not attending orientation without verification of extenuating circumstances as determined by HAL will be withdrawn.

A copy of this policy will be posted in each of HAL's Management Offices and in the Occupancy Department at Central Office and will be available upon request.

201.00

LEASING

This section outlines the leasing policies governing occupancy.

201.01 LEASING AGREEMENT

1. Prior to actual admission, the head of household and all family members on the application who are 18 years of age and older shall be required to execute a lease agreement with HAL.
2. The lease shall specify the apartment to be occupied, date of admission, apartment size, all family members who will live in the apartment, amount of rent to be charged, utility allowances, other charges under the lease, and terms and conditions of occupancy. The lease is to include the name, birthday, social security number, and relationship to the Head of Household of all persons who will reside in the apartment.
3. The lease shall be kept current at all times. It is the responsibility of the Head of Household to inform HAL promptly of any changes in family composition or a change which may affect utility allowance in accordance with HAL's lease stipulations.
4. If a resident transfers to a different HAL development, the existing lease will be canceled and a new lease executed by the Head of Household. The resident's file will move with the resident when s/he is transferred to another community.
5. If any change in the resident's status or change in HAL policy or regulation results in the need to change or amend any provisions with respect to a resident: (a) The existing lease is to be canceled and a new lease executed or (b) an appropriate rider is to be prepared, executed and made a part of the existing lease (HAL's Continued Occupancy Amended Lease shall be considered an appropriate lease rider).
6. Residents and their guests who do not abide by the terms of the lease or provisions in this policy are subject to eviction.
7. Cancellation of a resident's lease is to be made in accordance with the provisions of the lease and the grievance procedure adopted by the Housing Authority of Louisville.
8. Heads of Household (residents) shall not allow other individuals to use their apartments as a mailing address unless those individuals are on the current HAL lease.

201.02 SHARED LEASING

When a Head of Household with children and a single member family eighteen (18) years or older who are not married request to share an apartment together those individuals must meet the definition of Family as set forth in Section 01.16 of this Policy ("Family"). If the definition of family is met the following procedures must be adhered to:

1. Income information for both parties entering into shared leasing agreements is to be gathered as well as other pertinent data necessary to verify that individuals are eligible for public housing. (This includes criminal record checks and home visits.)
2. Two (2) separate leases are to be executed.
3. Rent is to be calculated separately for each shared lessee.
4. Two (2) separate rent billings are to be prepared for each lessee.
5. A separate bedroom is to be provided to each lessee.

6. A waiver is to be signed by residents that if a dispute arises between the lease holders, the individual not responsible for the children will be requested to vacate. There are no exceptions to this rule. Transfer to another HAL apartment will not be granted to the lessee vacating the premises.
7. Separate security deposits will be requested from each shared lessee following current HAL policies relating to amounts and procedures.
8. If there is a bill for excess utilities, the cost will be divided equally by both lessees.

301.00 CONTINUED OCCUPANCY ELIGIBILITY POLICY

This section describes the conditions for continued occupancy eligibility which must be met by residents occupying HUD-assisted public housing apartments operated by HAL. Failure to do so may result in eviction. Residents declared by HAL to be ineligible for continued occupancy have the right to grieve such decisions in accordance with the Grievance Procedure.

301.01 ELIGIBILITY GUIDELINES FOR CONTINUED OCCUPANCY

Those eligible for continued occupancy of HUD-assisted public housing sites operated by HAL are those residents:

1. Who qualify as a family and whose head of household is at least eighteen years old or a minor who is otherwise eligible and for whom housing is a legal necessity as defined by Kentucky case law.
2. Who conform to the occupancy standards established in section 101.08.
3. Who can demonstrate that they have the ability to comply with the terms of HAL's lease and ACOP, or that they are able to secure the services of others to provide for same.
4. Who do not fall within the ineligibility categories as outlined in section 301.02.
5. Who have signed the Restrictions In Assistance to Non-citizens Declaration Form, delineated in Section 214 of the Housing and Community Development Act of 1980 as amended. This form declares the resident to be lawfully residing in the United States.
6. Who have no criminal convictions. However, before any adverse action is taken by HAL, HAL must provide the resident with a copy of the criminal record and the resident must be given an opportunity to dispute the accuracy or relevancy of the record.

However, HAL will terminate the tenancy for any person who during her/his tenancy: 1) HAL determines has illegally used a controlled substance or 2) whose abuse of alcohol is determined by HAL to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

301.02 CATEGORIES OF INELIGIBILITY FOR CONTINUED OCCUPANCY

Families that fall within the following categories may be declared ineligible for continued occupancy by HAL Occupancy Department with review by HAL Executive Director or designee. However, before such determination is made consideration shall be given to favorable changes in the family's pattern of behavior and to other extenuating circumstances which offer reasonable assurance that the family meets HAL's Admission and Continued Occupancy Standards. Following is a list of types of conduct for which, when exercised by a family or individual family member, an entire family may be determined ineligible to live in a HAL apartment. Ineligibility may be declared for occupants who have demonstrated:

1. An unsatisfactory performance in paying rent and charges.
2. Serious disturbance of neighbors, destruction of property, acts of violence, living or housekeeping habits which adversely affect the health, safety, or welfare of other residents, employees, or property.
3. A pattern of criminal behavior involving arson, or rape, or indecent exposure, or sodomy, or carnal abuse, or prostitution, or impairing the morals of a minor, or murder, or robbery, or burglary, or kidnapping, or carrying a concealed deadly weapon, or any acts of violence or illegal drug activity.
4. A pattern of use or association with controlled substances. No resident, any member of resident's household, a guest, a visitor, any individual on the premises through any association with the resident or any person under the resident's control shall use, possess, manufacture, distribute, or sell any illegal drug or controlled substance (as defined in Section 1.02 of the Controlled Substance Act (21. U.S.C. 802) of any kind or nature. Furthermore, no resident, any

member of resident's household, a guest, a visitor, any individual on the premises through any association with the resident or any person under the resident's control, shall engage in any activity whatsoever connected and/or associated with the use, possession, manufacture, distribution or sale of any illegal drug or controlled substance (as defined in Section 1.02 of the Controlled Substance Act (21 U.S.C. 802) of any kind or nature. Any single incident of such aforementioned conduct by resident, or any member of resident's household either within resident's premises as well as on or off the premises, not just on or near the premises, shall be adequate grounds and good cause for termination of the lease (without further opportunity to cure or remedy such activity) and removal of resident and all members of resident's household from HAL properties by proceedings in a Court of proper jurisdiction.

5. Unauthorized use/display of firearms. A resident who displays or uses or allows members of the household or guests to display or use any firearms, BB guns, pellet guns, slingshots or other dangerous instruments as defined by KRS 500.800 and any other laws of Kentucky in a manner that endangers life or property.

A resident who stores, retains or keeps firearms on the premises in a manner other than stored in a locked gun cabinet supplied by the resident and approved by management, and who has not provided management with a copy of the applicable permit or registration as defined by HAL for any weapon or firearm on HAL's premises may be evicted. Any resident who has failed to report possession/storage of a firearm on the premises, who has falsified information on HAL's gun registration form or who has in any other way violated the terms and conditions of the HAL lease affecting weapons, guns, or firearms may be evicted.

NOTE: In accordance with Kentucky State statute, a single violation of any of the terms and conditions of HAL's lease (Section F, Responsibilities of the Resident) by resident, or resident's family members, guests, visitors, or individuals on HAL property at the invitation of resident or under the control of resident shall be deemed a serious violation of material terms of the lease and good cause for termination of the residential lease without further opportunity to cure or remedy the violation. In the event of any single violation and upon notice to the resident, termination of the Lease Agreement may result in eviction through a Court of proper jurisdiction. HAL "premises" means any HAL property wherever located. Proof of violation of any of the above provisions of Section F which relate to unlawful or criminal activity shall not require criminal conviction but shall be by a preponderance of the evidence unless otherwise provided by law.

301.03

REDETERMINATION OF ELIGIBILITY, RENT, UNIT SIZE

The resident agrees to furnish accurate information and certifications regarding family composition and income as may be necessary for management to make determinations with respect to rent, eligibility and appropriateness of dwelling size, on an annual basis or as requested by management. Unless the following changes occur, rent as fixed in the lease will remain in effect for the period between regular rent redeterminations.

1. Resident will be subject to a redetermination of rent and rent may increase or decrease if one or more of the following events occur:
 - a change in family composition which provides additional income to the household; the increased monthly rental amount becomes effective and is due on the first day of the second month following that month in which the change occurred.
 - a change in family composition which reduces the deductions and allowances for which the family qualifies; the increased monthly rental amount becomes effective and is due on the first day of the second month following that month in which the change occurred.
 - the resident has misrepresented facts to management or omitted the facts upon which rent was based (if in such event the rent paid is less than should have been charged, a retroactive increase will be charged.) In these cases a restitution/repayment agreement is to be entered into and the action prescribed in the section entitled "Action to be taken for Fraud Cases" is to be followed. Any increase is retroactive to the first date of any misrepresentation. The increased monthly rental amount becomes effective and is due on the first day of the second month following that month in which the change occurred.
 - the resident family becomes or ceases to be a working family, which may include a family member who is a full-time student at an accredited educational institution or who is currently enrolled in a bona-fide job training or vocational program which will enhance employment opportunities. An increase in rent will occur if a resident gains employment and was previously on the \$25.00 minimum rent.
3. All of the aforementioned conditions for changes in income must be reported in writing within ten (10) calendar days to management.

4. Where family composition has changed, management may require the resident to move into a unit of appropriate size.
5. If it is determined by management at the time of resident's annual rent redetermination or on any other occasion that adjustments in the amount of rent are appropriate, and/or that resident has misrepresented facts upon which rent was based and if such misrepresentations are found to be intentional, then any increase in rent or the amount due shall be due the first day of the second month following that month in which rent is redetermined. The intentional or deliberate misrepresentation of facts upon which rent was based may be considered a serious violation of material terms of the lease and management may terminate the lease immediately upon proper notice.
6. Rent decreases shall occur if the resident reports a decrease in income or the reported income change results in increased allowances or deductions. The decreased monthly rental amount becomes effective and is due on the first day of the first month following that month in which the rent is redetermined.
7. Rent may decrease or increase if the schedule of utility allowances necessitates such change, if rent is being calculated as a contract rent.
8. Resident's lease will not be revised to permit a change in family composition resulting from a request to allow adult children to move back into the apartment unless it is determined that the move is essential for the mental or physical health of the resident and it does not disqualify the family for the apartment size it is currently occupying.

NOTE: Rent will not increase between annual reexaminations unless resident misrepresents income deliberately at annual reexamination, or there is a change in family composition which changes the family's deductions or allowances.

301.04

SPECIAL REEXAMINATIONS

Special reexaminations will occur in cases where a family's employment conditions are too unstable to project the total family income over a twelve (12) month period. In order to make a final rent determination, it may be necessary to administer a special reexamination at a later time when HAL deems the family's circumstances to be stable. Until the final rent determination can be made, the family will pay rent based on their current total family income and reexamination shall be scheduled when the family circumstances stabilize.

301.05

ACTION REQUIRED FOLLOWING ANY TYPE OF REEXAMINATION

Immediately following each resident's reexamination, s/he is to be informed in writing concerning:

1. Any change to be made in the rent or size of apartment occupied.
2. Any instance of misrepresentation or non-compliance with the terms of the lease revealed through reexamination and any corrective or punitive action which is to be taken.

301.06

INTERIM ADJUSTMENT OF RENTS

There will be no interim adjustments to rents between annually scheduled rent reexaminations unless increases or decreases as delineated in section 301.03 occur.

301.07

MISREPRESENTATION AT ANNUAL REEXAMINATION

1. If annual reexamination discloses that a resident willfully misrepresented information at the time of admission or at any previous time, eviction will be sought. The action illustrated in Section 501.01 is to be followed.
2. If it is found at the time of annual reexamination, or at any other time, that the resident has failed to report changes as required, and as a result is paying less rent, the correct amount of rent is to be made retroactive to the first month for which the change of rent should have become effective. A restitution or repayment agreement must be entered into in accordance with section 502.04 of this policy.

401.00 CHARGES ASSESSED

Residents will be assessed various charges, when applicable, as delineated in this section.

401.01 ADDITIONAL CHARGES

HAL may assess charges for the following items:

1. Damages to the premises, development buildings, facilities or common areas, beyond normal wear and tear caused by resident or resident's guest.
2. Charges for resident's failure to carry out maintenance tasks in accordance with the terms of the lease, e.g., lawn mowing or trimming (unless the resident is physically impaired as determined by management).
3. Charges for excess utility consumption resulting from the use of resident-supplied appliances.
4. Consumption of HAL-supplied utilities in excess of allowance established by the agency and approved by HUD, if charges are determined by individual meter(s) on the leased apartment.
5. Late fees for failure to pay rent in a timely fashion.

401.02 SECURITY DEPOSIT

It is HAL's policy to collect from each head of household upon initial occupancy a security deposit to be held in escrow by the agency. The amount of the security deposit reflects the actual or projected costs of repairs occasioned by unusual damage to vacated or occupied apartments.

401.03 UTILITY ALLOWANCES

HAL maintains a schedule of HUD-approved utility and gas allowances. Charges in excess of those utility allowances will be billed by HAL to the resident. Utility charges are not a part of rent.

401.04 NON-RESIDENTIAL RENTS

HAL shall not grant any concessions, licenses, or permits to be used in any dwelling or non-dwelling space or facility in any development for less than fair rental value, except for programs conducted by or primarily for the residents of the development or for temporary public, charitable or similar use, or for purposes benefiting HAL.

501.00 FRAUD PREVENTION AND DISCOVERY POLICY

This section outlines the policies and guidelines governing HAL in actions relative to cases of fraud or suspected fraud.

501.01 WILLFUL MISREPRESENTATION

1. The following policies will guide decisions regarding willful misrepresentation:
 - a. If an applicant/resident makes a willful misrepresentation of any kind which results in eligibility, when in fact they are ineligible, the applicant/resident may be denied occupancy in public housing.
 - b. If an applicant/resident intentionally fails to provide the correct information on which rent payment is determined, civil and/or criminal prosecution may result. Willful misrepresentation may result in termination of the application or lease, whichever is applicable.
2. HAL is committed to pursue fraud detection and prevention through:
 - a. Resident education
 - b. Thorough questioning and information verification during initial screening and reexamination
 - c. Recovering rent payments as a result of resident fraud
 - d. Thorough investigative methods and the implementation of quality control checks
 - e. Prosecution of cases that warrant such actions

601.00 TRANSFERS

It is recognized by HAL that transfers are costly and therefore should be made only for very good reasons as established in Section 601.02.

601.01 CONDITIONS FOR TRANSFERS

1. It is HAL's policy that transfer requests from residents, both intra- and inter-development, will be given consideration under below stated conditions, and in compliance with:
 - a. The Affirmative Action Program 11246
 - b. Executive Orders 11063, 11246 (as amended) and 11373
 - c. Congressional Housing Civil Rights Act Title #6, Civil Rights Act of 1964
 - d. Further issuance of legislation
2. Neither HAL nor any of its employees shall in any way interfere with, discourage, or impede any resident from requesting a transfer or hearing.
3. Transfers will be granted in an attempt to:
 - a. Avoid both overcrowding and under-utilization of space.
 - b. Recognize residents who have an outstanding record of complying with HAL's rules and regulations (example: never late with rent, apartment kept immaculately clean, outside grounds manicured). Such may be offered a transfer to a newly built or rehabilitated development.
4. Intra-development/inter-development transfer requests will be judged and evaluated without regard for integration and affirmative action considerations.
5. In the case of intra-development transfer, HAL may permit a family to postpone the transfer to the end of the school year, if the family so desires.

601.02 PRIORITIES FOR TRANSFERS

Although most transfers will be within a development, unusual circumstances may dictate a need for a transfer between developments.

Both HAL and residents may initiate transfers for the following reasons in the order listed below:

1. When, in the determination of HAL management, unsound structural defects or other life-threatening situations may jeopardize the health or physical well-being of a resident or resident family member. (This type of transfer is considered an emergency.)
2. When, on the determination of HAL's Board of Commissioners, a transfer is advisable for the program stability and financial solvency of the agency. Determination of eligibility will be made in accordance with procedures approved by the Board.
3. When, in the view of the resident, the present location is harmful to the health, safety and welfare of the family or family member, whereas a new location would enhance or correct the situation. (Must be verified by a physician or other qualified person giving the reason why a transfer would improve or alleviate the condition.)
4. When, in the view of HAL, the apartment size is inappropriately large for the family size and composition.

5. When, in the view of either the resident or HAL management, the apartment size is inappropriately small for the family size and composition.
6. A family occupying an apartment designed for the handicapped who does not require the amenities of the handicapped apartment shall be transferred to a non-handicapped-designated apartment as soon as practicable. Such transfer shall be initiated to accommodate the receipt and verification of a handicapped individual or family requiring the amenities of the handicapped apartment.

601.03

TIMING OF TRANSFERS

1. Absent extenuating and emergency circumstances compelling a transfer, no transfer will be granted a resident until such time as that resident has resided in his/her present apartment for at least twelve (12) months.
2. The spirit of the transfer policy shall be to make transfers as soon as reasonably possible on a first come first serve basis as the desired apartment becomes available. Absent extenuating circumstances transfers shall be made as soon as possible.

601.04

RESIDENT RESPONSIBILITY FOR TRANSFER REQUEST

When a resident applies for a transfer, it is the responsibility of the resident to fill out the request form properly and to provide the necessary documentation required by HAL in order to take action on the request.

601.05

DENIAL OF TRANSFER REQUESTS

1. Transfers will be denied when a family is not current in its account balance and other obligations as specified in the lease.
2. Transfers will be denied when they do not meet the qualifications outlined in Section 601.02.
3. A transfer may be denied if such transfer would cause severe and undue hardship or would have a severe and undue negative impact or financial burden on HAL.
4. If a request is denied, the denial shall state that the resident may request a hearing through the Grievance Procedure.

ATTACHMENT #1

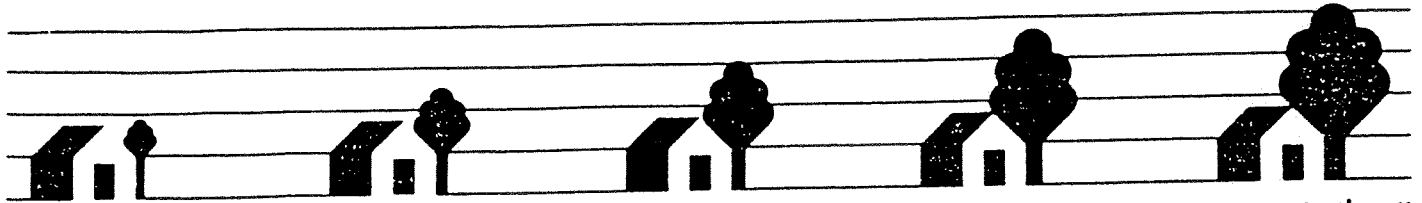
INCOME LIMITS

HOUSEHOLD SIZE	LOWER INCOME (LI)	OLD LIMITS	NEW LIMITS
	VERY LOW INCOME (VLI)		
1	LI	\$21,150	\$22,250
	VLI	\$13,250	\$13,900
2	LI	\$24,200	\$25,400
	VLI	\$15,100	\$15,900
3	LI	\$27,200	\$28,600
	VLI	\$17,000	\$17,850
4	LI	\$30,250	\$31,750
	VLI	\$18,900	\$19,850
5	LI	\$32,650	\$34,300
	VLI	\$20,400	\$21,450
6	LI	\$35,100	\$36,850
	VLI	\$21,900	\$23,050
7	LI	\$37,500	\$39,400
	VLI	\$23,450	\$24,600
8	LI	\$39,900	\$41,900
	VLI	\$24,950	\$26,200

ATTACHMENT #2

UTILITY ALLOWANCES FOR GAS

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Housing Authority
of Louisville

HOUSING AUTHORITY OF LOUISVILLE

RENTAL ASSISTANCE ADMINISTRATIVE PLAN

July 2, 1996

PROPOSED
HOUSING AUTHORITY OF LOUISVILLE
RENTAL ASSISTANCE ADMINISTRATIVE PLAN

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HOUSING AUTHORITY OF LOUISVILLE
RENTAL ASSISTANCE ADMINISTRATIVE PLAN

01.00 INTRODUCTION

The purpose of this plan is to establish guidelines for the Housing Authority of Louisville (HAL) staff to follow in administering the Section 8 Rental Assistance programs. The basic guidelines for this plan are governed by requirements of the U.S. Department of Housing and Urban Development (HUD) 24 CFR Code of Federal Regulations, with the latitude for local policies and procedures. The policies and procedures within this administrative plan are binding upon applicants, residents, owners and HAL and its agents. HAL's Admission and Continued Occupancy Policy has been incorporated into this document by reference and is also binding on all the aforementioned entities. Changes in above regulations/laws shall supersede provisions in conflict with this policy.

02.00 MISSION STATEMENT

HAL was founded to provide safe, decent affordable housing opportunities for very low and moderate income Louisvillians. Realizing that housing is a basic human need, HAL committed to pursue all partnerships and resources necessary to promote, develop and provide affordable housing, improving the quality of life for eligible applicants and residents.

02.01 FAIR HOUSING POLICY

It is the policy of HAL to comply fully with all federal, state and local nondiscrimination laws and in accordance with the rules and regulations governing fair housing and equal opportunity in housing, employment and in accordance with the American Disability Act.

Specifically, HAL shall not on account of race, color, sex, religion, creed, national or ethnic origin, family status or disability deny any family or individual the opportunity to apply for or receive assistance through HUD's Section 8 programs as long as participants are

02.06

ORGANIZATIONAL CHART

HAL's organizational chart is Attachment I. Section 8 programs are administered by the Occupancy Department as it relates to programmatic planning and day-to-day operations. The Finance Department is responsible for issuing and monitoring expenditures and HAP payments.

02.07

PRIMARY ACTIVITIES

HAL's primary Section 8 activities are:

- A. Administrating the Section 8 Program in compliance with federal guidelines and regulations.
- B. Maintaining a professional and courteous relationship with all parties involved in administering this program. Staff will exhibit efficient and friendly customer service to participating families and owners.
- C. Maintaining effective management and service delivery systems to assure efficient administration of the program.
- D. Issuing assistance to eligible families.
- E. Providing educational activities for families/owners.
- F. Obtaining verifications and determining tenant rent.
- G. Administering a wait list.
- H. Inspecting assisted units for compliance in accordance with HQS and HAL's standards.
- I. Performing rent comparabilities.
- J. Making housing assistance payments/utility allowance payments.
- K. Conducting initial, annual and interim reexaminations.

03.00

DEFINITION OF TERMS

Terms that have been left out of this Administrative Plan are defined in HAL's ACOP, which is incorporated by reference into this document.

ABATEMENT - The process of withholding a dwelling owner's or manager's rental assistance payment(s) when the dwelling fails inspection.

ANNUAL CONTRIBUTIONS CONTRACT (ACC) - A written agreement between HUD and HAL to provide annual contributions to

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the purpose of providing to the owner assistance payments on behalf of an eligible family (sometimes referred to as the HAP contract).

NOTE: For Section 8 existing certificates the Housing Assistance Payment Contract executed between HAL and the Contract owner.

MUTUAL RESCISSION OF LEASE - An early termination of the lease with written agreement from both parties.

OWNER -- Any persons or entity having the legal right to lease or sublease housing.

PAYMENT STANDARD - The Fair Market Rent (by number of bedrooms) published in the Federal Register (Section 8 Program).

SPECIAL PROGRAMS - Any rental assistance program which requires the Authority to admit only particular eligible families or to refer eligible families to specific vacant dwellings. Examples of special programs are Mod Rehab, Rental Rehab.

TENANT RENT - The portion of the contract rent that the resident pays directly to the property owner.

TERM OF LEASE - The amount of time a resident agrees in writing to live in a dwelling.

TOTAL TENANT PAYMENT (TTP) -- The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

UNIT -- Residential space for the private use of family. The size of a unit is based on the number of bedrooms contained within the unit and generally range from zero bedrooms to six bedrooms.

UTILITY ALLOWANCE - A uniform (by size and type of dwelling) allowance for the cost of utilities and other housing services which are not provided by the property owner and which are the responsibility of the resident. This allowance is an estimate, made and approved by HUD, based on the monthly cost of reasonable consumption by energy conservative household, consistent with requirements of a safe, sanitary, and healthy living environment.

the control of resident or on the premises through any association with the resident, shall engage in any activity whatsoever connected and/or associated with the use, possession, manufacture, distribution or sale of any illegal drug or controlled substance (as defined in Section 1.02 of the Controlled Substance Act (21 U.S.C. 802) of any kind or nature. Any single incident of such aforementioned conduct by resident, any member of resident's household either within resident's dwelling or on or near rental assistance property where a lease has been executed and is operational under HAL's Section 8 Rehab Program, shall be adequate grounds and good cause for termination of the lease (without further opportunity to cure or remedy such activity) and removal of resident and all members of resident's household from rental assistance properties by proceedings in a Court of proper jurisdiction.

Before an ineligible determination is made, consideration shall be given to favorable changes in the family's pattern of behavior and to other extenuating circumstances which offer reasonable assurance that the family meets HAL's Admission and Continued Occupancy Standards (Sections 301.00 - 301.01).

06.00 APPLICATION/ELIGIBILITY/WAIT LIST AND SELECTION

06.01 APPLICATION PROCESS

Application for Moderate Rehabilitation Program -- Applicants will make application to HAL in accordance with HAL's ACOP Section 102.00 - 102.26.

Application For Section 8 Certificate Program -- Families who reside in HAL public housing developments may request selection for the Section 8 Program. Development managers may also request selection of residents when they meet the criteria for an "Outstanding Resident".

Residents may contact their managers for referral to the Section 8 Program. Managers must prepare memoranda of recommendation to the Director of Occupancy and Leasing. Upon availability of appropriate Section 8 housing, inspections for housekeeping and file review for rental payment history will be conducted by the Section 8 Coordinator or the Director of Occupancy and Leasing or designee.

residents for the Section 8 program. However, the following exception to HAL's conventional housing selection process will be implemented when selecting Section 8 applicants:

- A. Only applicants who meet the very low income criteria as prescribed by HUD will be selected for the Section 8 Moderate Rehabilitation Program.
- B. Applicants who do not wish to participate in the Section 8 Moderate Rehabilitation Program will be given the alternative to remain on HAL's conventional eligible waiting list without losing their position for placement into conventional housing.

06.05

SELECTION OF RESIDENTS TO THE SECTION 8 CERTIFICATE PROGRAM

Residents characterized as Outstanding will be referred to the Section 8 Rental Assistance Program. These residents, having been approved through the HAL application eligibility process (ACOP Sections 101.00 - 102.26), will not be required to reapply.

An Outstanding Resident is defined as one who:

- 1. has had no lease violations for a period of one year;
- 2. has passed all yearly housing inspections;
- 3. has been recommended by the manager of the development in which s/he resides; and
- 4. has passed the final inspection performed by the Section 8 Coordinator and the Director of Occupancy and Leasing or designee. Final inspection assures that the resident qualifies as an "Outstanding Resident" for the Section 8 Rental Assistance Program.

06.06

OCCUPANCY GUIDELINES FOR ALL SECTION 8 RENTAL ASSISTANCE PROGRAMS

The following guidelines shall determine the number of bedrooms required to accommodate each family with consideration given to overcrowding and overhousing. These guidelines apply in determining the bedroom size and will be listed on the Certificate.

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attending a second appointment will be referred for termination of assistance.

In case of an emergency which can be documented, the family will be rescheduled without penalty to the family.

This policy applies to the scheduling of any type of appointment necessary in the administration of this program. These appointments include inspections, briefings, interim changes, initial/annual processing, etc.

If a family indicates a letter scheduling an appointment was not received, one of two items below will be required:

- A. The letter was returned to HAL or addressed incorrectly.
- B. The family has filed a complaint with the post office for problems with mail receipt in the prior four months.

06.08

DOCUMENTATION/VERIFICATION REQUIREMENTS AND TIMING FOR ALL SECTION 8 RENTAL ASSISTANCE PROGRAMS

HAL has outlined regular documentation and verification requirements in its ACOP. While these are our normal procedures, each family is different and based upon specific circumstances, additional verifications may be necessary.

A family (new or currently participating) will generally be given ten days to contact the Section 8 Coordinator for annual reexamination. After discussion of program requirements and family circumstances, a family will be given five additional days to provide the necessary documentation. If after the initial ten days and five additional days the necessary documentation is not supplied, a referral for termination of assistance will be made. In circumstances where the family is cooperating and striving to provide the required information, more time may be allotted prior to referral for termination of assistance.

If a family complies prior to the actual date of termination, the family will be reinstated. HAL's objective is not to terminate assistance, but simply to obtain cooperation from and adherence to the family obligations under the program. In order to administer this program effectively, time guidelines are imperative

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07.02

CERTIFICATE ISSUANCE

Families who are given certificates will have sixty (60) days to lease. However, extensions may be offered if families experience difficulty in locating an appropriate dwelling or if extenuating circumstances exist.

A Certificate may be extended for more than the sixty-day issuance in two thirty-day periods. No certificate will be honored after one hundred and twenty days from the original date of issuance.

NOTE: No days, such as weekends or holidays, are excluded in the counting of 60 days. If the 60th day falls on a non-working day, then the family may conduct pertinent business on the next working day.

Types of verification to justify extenuating circumstances will be determined at the sole discretion of HAL. They may include, but will not be limited to:

- A. Location of barrier-free housing
- B. Location of a dwelling which does not interfere with employment or school
- C. Medical status which dictates proximity to a hospital where the resident's doctor practices

NOTE: Certification extension does not extend the lease.

Signing a certificate or an "Intent to Lease" constitutes the Outstanding Resident's acceptance into the program. No other offer of assistance will be made to that Outstanding Resident; however, the family may reapply.

Should the Outstanding Resident allow his/her certificate/voucher to expire, the assistance will be terminated and no hearing will be provided.

07.03

CERTIFICATE EXTENSIONS AND EXPIRATIONS

Extensions will be given to a family if requested on or just prior to the expiration date of the Certificate. One additional extension of 60 days may be requested; however, the total extension will not exceed 120 days. Extensions will be provided in writing.

07.05

TENANT SCREENING

Tenant screening is an owner responsibility. However, HAL will provide to prospective owners information concerning a participant's current/previous address/owner.

07.06

REVIEW OF OWNER'S LEASE

HAL staff will not be responsible for thoroughly reviewing each owner's lease for legal acceptable content. The HUD lease addendum is required when this issue occurs. However, should an item which is not legal come to HAL's attention, HAL will require the owner to strike it from the lease or use a HUD's lease addendum.

07.07

TRANSFER PROGRAMS

A Section 8 family may transfer from a Certificate to a public housing apartment under the following rules and procedures:

- A. The desired form of assistance must be available.
- B. Priority among residents on the waiting list will be given to a family:
 1. if dwellings which residents occupy do not comply with HQS.
 2. when, on the determination of HAL's Board of Commissioners, a transfer is advisable for the program stability and financial solvency of the agency. Determination of eligibility will be made in accordance with procedures approved by the Board.
 3. there is a current family member with a medical reason which necessitates that family living in one of HAL's public housing developments. The medical condition and the necessity of living in a HAL development must be documented.
 4. the family wishes to include a person not currently listed as a family member and the new family member has a medical reason which necessitates that family member living in one of HAL's developments. The medical condition must be documented. The family, after inclusion of the new member must still meet

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without cause at any time after the first year. A minimum of thirty (30) but not more than sixty (60) days written notice to the property owner and HAL must be submitted by the resident. Families continuing under the same lease on a month-to-month basis are provided written notice of any changes made in their portion of the rent or utility payment.

- B. All rent reexaminations will comply with Section 301.03 - 301.07 of the HAL ACOP.
- C. If a property owner plans to offer a new lease to a family who has been determined eligible for continued assistance, the offer is to be made at least sixty (60) days prior to the effective beginning date of the proposed new agreement. The family acknowledges acceptance of the new lease by submitting the lease document to HAL for review. Following reexamination, families deciding to enter into a new lease are provided written notice of any changes made in the contract rent, the portion of rent which they are to pay, and the amount of the utility allowance.
- D. Residents deciding not to enter into a new lease or deciding not to remain in the dwelling under a continuation of the old lease with the current property owner, must notify the property owner and the HAL Section 8 Coordinator or designee in writing of their intent to move prior to the beginning of the ninth (9th) month of the current lease. HAL will end assistance payments on behalf of the family on the date agreed upon by both the Section 8 resident and the property owner on the last day of the lease. Families remaining in the dwelling after the ending date agreed upon by the owner and resident are responsible for the total rent charged by the owner. An extension of the originally-agreed-upon termination date is not permitted. Families wishing to relocate at the end of the term specified in the lease agreement are scheduled for a briefing at which time lease papers and other required forms are issued.
- E. Families who decide not to enter a new lease or renew a lease on the current dwelling may change their decision. HAL will, however, process those families' renewals as if they were moving, with the exception that the new contract rent for these renewals may vary.

reexamination of family income and composition in accordance with HUD requirements;

- B. Allow HAL to inspect the dwelling at reasonable times and after reasonable notice;
- C. Notify HAL before vacating a dwelling;
- D. Use the dwelling solely for residence by the family, unless profit-making activities have been approved by HAL and the owner, and as the family's principal place of residence; and shall not assign the lease or transfer the dwelling.

These responsibilities or obligations continue to apply after the family begins to receive assistance under the program. Failure of the family to cooperate in providing information or documentation in conjunction with a regularly scheduled reexamination, failure of the family to cooperate with inspection of the dwelling, failure of the family to provide notice before vacating the dwelling, and failure of the family to use the dwelling solely as a residence if prior approval for profit-making has not been approved by the family may be grounds for termination of assistance.

Each resident receives a written notice of the time requirements for producing verifications; failure to meet these requirements leads to a delay in processing reexamination and may lead to termination.

All families must have the minimum rent, if applicable, to participate in the Section 8 programs, as mandated by HUD.

08.00 INSPECTIONS

08.01 HOUSING QUALITY STANDARDS (HQS)

Each dwelling in which a Section 8 family resides or intends to reside is inspected and determined to be within the minimum standards required by HUD regulations (Section 882.109). These standards are to protect the resident receiving assistance under the program by guaranteeing what HAL considers a basic level of acceptable housing. Performance requirements apply to each of the following:

- A. sanitary facilities

Inspector schedules are normally set up on a weekly basis arranged according to anniversary date of lease execution.

Owners and residents are notified by mail when inspections are to be conducted.

08.04 NOTIFICATION AND CORRECTIVE ACTION(S) BASED ON INSPECTION

A written report is sent to all owners or agents indicating the results of the inspection. When an annual inspection is conducted and violations of the HQS are found, the owner is given reasonable time (not to exceed thirty (30) days) to correct the deficiencies. The length of time allowed depends upon the severity of the problem. At the end of the time period allowed for repair or remedy of the deficiency, a reinspection is automatically conducted. If, at the time of reinspection, the owner has not brought the dwelling or property into compliance with HQS, HAL's rent portion will stop, and/or the contract terminated.

Copies of all inspection reports are maintained in the dwelling file as well as in the resident file.

08.05 DAMAGE INSPECTIONS - AFTER A RESIDENT MOVES OUT

Owners who believe that a resident has caused damage to the dwelling necessitating repair, and the cost of which is in excess of the security deposit, must request a "Damage Inspection" within seven (7) days of the knowledge of vacancy. The inspector's report serves as the basis for determining the amount of owner's damage claims (See Section 06.03).

08.06 QUALITY CONTROL

HAL monitors the timeliness and consistency of dwelling inspections and reports. A minimum sample of 5% of all dwellings allocated are reviewed on an ongoing basis. Composition of the sample meets four criteria:

- A. dwellings inspected by an alternate inspector or the Director of Occupancy;
- B. dwellings inspected for initial, annual and complaint purposes;
- C. dwellings from each type of building structure inspected; and

A reinspection will be made after 24 hours and if the problem is not corrected, the subsidy will be abated and the family required to move out.

For the following minor violations, a certification form may be executed by the head of household and Owner certifying the items have been repaired/corrected. A reinspection will not be required:

- A. Dead battery in smoke detector
- B. Knob on stove missing
- C. Stove/refrigerator not in unit if provided by family
- D. Replacement of outlet covers
- E. Exhaust fans in bathroom
- F. Handrails need tightening but are not unsafe
- G. One stove burner not operating
- H. Gutters need repairs
- I. Single window pane replacement
- J. Lock on a single window

The certification form will allow the Owner/family ten days to return the executed form. If the form is not returned within ten days with all items repaired and corrected, the unit will be failed and/or housing assistance payments abated. For new units, housing assistance will begin on the date the certification form is received by the Section 8 Coordinator or designee. If the tenant and owner/manager certify falsely that the minor violations are corrected, HAL will recoup assistance payments, and the tenant will be responsible for the full amount of the rent.

No more than four HQS inspections will be performed on the same unit. The family will be required to look for another unit if violations are found after four inspections.

Please refer to Section 06.04 for inspection guidelines relating to expired certificates.

The Director of Occupancy and Leasing or designee will perform quality control inspections on a minimum of five percent of the total number of units inspected. Other quality control inspections may be performed by HUD staff. HAL strives to exceed the minimum number of quality control inspections.

HAL may terminate the HAP contract for any of the following reasons:

- A. The dwelling is not in compliance with the Housing Quality Standards, or utility service is not maintained.
- B. The dwelling does not meet the occupancy requirements because of an increase in family size or a change in family composition, or the dwelling does not comply with HUD occupancy standards.
- C. An assisted family is residing in a dwelling larger than appropriate because of a reduction in family size or change in family composition.
- D. An assisted family has been determined ineligible for continued assistance at reexamination.
- E. HAL has determined that the owner is not in compliance with the terms of the HAP contract.
- F. HAL has determined that the family has failed to meet any one of its obligations as a Section 8 resident.
- G. A family has been determined to have abused the program or engaged in fraudulent activities.
- H. A family fails to meet its obligation under a repayment agreement executed with HAL.

NOTE: Occupancy Standard Requirements will always be in compliance with the current HUD regulations.

09.06

EVICTION AND TERMINATION

Owner Initiated Termination of Tenancy -- An owner may terminate an assisted family's lease for serious and repeated violations of the terms and conditions of the lease; violations of the Uniform Residential Landlord and Tenant Act; violations of federal, state, or local law which impose obligations on a resident in connection with the occupancy or use of the dwelling and surrounding premises, or for other good cause, as specified in the lease.

After completion of the lease term, an owner may terminate the tenancy for other good cause (a business or economic reason) as stated in the Lease. The owner must give 90 days notice and provide a copy of that notice to HAL. The notice must specify the reasons with sufficient detail to permit a review by HUD and/or HAL, and must include a statement that the owner and HAL/HUD may agree to a renewal.

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09.07 RESIDENT-INITIATED TERMINATION

Resident Initiated Termination of Lease - A resident may terminate the lease without cause at any time after the first year of the lease as long as a written termination notice to the property owner and HAL is received within thirty (30) days and not to exceed sixty (60) days before termination is requested. A copy of the termination of lease notice to the property owner is included in the resident's file. HAL will provide an appropriate form to the resident upon request.

09.08 MUTUAL RECESSION OF THE LEASE

The property owner and resident may mutually agree, at any time during the first twelve (12) months of the lease, to a premature termination of the lease. This is a lease cancellation and notices of cancellation will be processed by HAL's Section 8 Coordinator.

10.00 RENTS

10.01 FAIR MARKET RENT

The Fair Market Rent (FMR) established by HUD is the maximum base from which HAL calculates the contract rent for a particular dwelling. The FMR is used only with the initial lease. If amenities exist in a dwelling which the owner believes justify a higher rent level before execution of the initial contract, an adjustment may be considered on a case by case basis. The owner must justify a higher rent request with appropriate documentation as required, which will be verified at the initial inspection. HAL is limited with regard to the total number of exceptional rent contracts it may approve: 20% of the approved certificates may be adjusted no more than 10% above the FMR in accordance with the bedroom size.

NOTE: Notwithstanding the FMR authorization by HUD, contract rents must always meet the test of comparability.

10.02 CONTRACT RENT

The contract rent is shown on the HAP contract and on the lease, and represents the total rent payable for the

Factor published periodically by HUD, nor may it exceed the test of comparability.

10.05

ABATED RENT

HAL does not pay rent on dwellings that fail to meet Housing Quality Standards. HAL will withhold rental assistance payments on a dwelling when its condition has fallen below the required standards. Families who reside in dwellings that do not meet Housing Quality Standards will be allowed to relocate to a dwelling that is in compliance. Rent payment suspended during a period of time while the dwelling is not in compliance with the standards is deducted from any payment due an owner. When a dwelling is returned to a state which complies with the standards, rental payments will resume. The process of abating rent applies to all programs of rental assistance administered by HAL.

11.00

PAYMENTS

11.01

RENTAL ASSISTANCE CHECKS PAYABLE TO OWNERS

Housing Assistance Payments made to owners are prepared by HAL's Finance Department. Checks are prepared at the end of the month for mailing to owners (managers) on the first day of the month when rent is due. If the first day of the month falls on a Saturday, Sunday or holiday, payments will be mailed on the next regular HAL business day. Unless an owner/manager specifies differently, one check for all of an owner's property will be issued. Deductions from the check may be made, and the record portion will specify the type or reason for any deduction, e.g., abated portion of a month's rent.

The portion of contract rent payable by HAL will change only if resident income data is received no later than the twenty-fifth (25th) business day of the month preceding issuance of the HAP. Payment for HAL's portion of the contract rent for an initial or new contract, or a contract that is being extended, and for which HAL's portion changes, may be delayed for as much as forty-five (45) days after the effective date of the new or extended contract. This delay may be due to tardiness of either the resident or the owner in complying with HAL's notices or procedures. Payment will be made retroactive to the effective date. No interest will be paid on delayed payments.

determine the liability claimed by the owner. HAL acts only as a mediator in such a hearing, and will not hold a resident responsible, unless the resident agrees to pay a portion or all of the claim. If agreement is not reached, the owner must pursue action through the court system.

- E. A claim for damages which occurred during the term of the lease can be filed after the dwelling is vacated, using the same procedures set forth herein. Normal procedure for damages during the tenancy is for the owner to bill the cost directly to the resident.
- F. If the resident agrees to pay a portion or all of the claim and the owner agrees, HAL will reimburse the owner and collect one claim from the resident, or, the resident may pay the owner directly and not involve HAL. Claims that an owner files with the courts will be paid by HAL if the court issues an order to HAL. However, the maximum payment will be in compliance with federal regulations. Payments made by HAL become a liability of the resident (See Section 11.05, "Resident Repayments").
- G. Certificate Program -- Payment of a vacancy claim is based on the owner's documented effort to re-rent the dwelling promptly after the dwelling has been turned over for renting. The owner may retain payment for the month in which the resident vacates the dwelling. Additionally, the owner may claim vacancy credit for not more than 80% of the contract rent due for the next month, less the security deposit which was collected or which could have been collected, whichever is greater.
- H. Under the Certificate Program, HAL's maximum liability for resident-caused damages and/or rent owed is computed at twice the monthly contract rent less the security deposit collected or which could have been collected under Section 8 provisions, whichever is greater.
- I. Claims not submitted within the 30-day filing period will be honored only upon presentation of a court judgment.
- J. No payments shall be made for damages if the move-out inspection was not requested.

11.04

OWNER REPAYMENTS

Amounts paid to Owners for which they are not entitled by contract and/or regulation will be recouped. Amounts paid on behalf of any participant may be reduced in order

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12.02

RESIDENCY REQUIREMENTS FOR NEW FAMILIES

Any new family issued a rental Certificate that did not live (legal residence) in the jurisdiction of the issuing housing authority at the time the family applied for assistance must lease a unit in the jurisdiction of the housing authority for at least 12 months from the beginning of the initial lease term. This restriction on portability moves does not apply to families who lived in the housing authority's jurisdiction at the time of the application, but are living outside the housing authority's jurisdiction when selected for participation in the program. The jurisdiction of HAL is defined by residing Louisville and being a participant in HAL's Outstanding Resident housing programs. A new family (head of household or spouse) must meet HAL's jurisdiction definition to make use of portability within the first year of obtaining assistance.

Any new family that does not meet this initial residency requirement must lease a unit in the jurisdiction of HAL at least 12 months from the beginning of the initial lease term.

12.03

PROCEDURES

The Housing Authority (HA) issuing the family a Certificate is the "Initial" HA. The HA accepting the Certificate is the "Receiving" HA.

The Receiving HA may choose to administer the Certificate or may issue its own Certificate. HAL will issue a Certificate of its own.

The Receiving HA bills the Initial HA for the housing assistance payments and administrative fees, unless the Receiving HA has issued the family one of its own Certificates.

Families may move more than once under the portability procedures. However, HAL will limit moves to once in any 12-month period.

All incoming families to HAL under portability will be referred directly to the Coordinator of the Section 8 Program or designee.

These incoming families will be processed as a new family for verification requirements, briefed and issued a HAL certificate.

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15.00 OPERATING RESERVES

15.01 REQUIRED USE FOR PROGRAM ADMINISTRATION

- A. The Operating Reserve must be used to pay Section 8 administrative costs that exceed earned administrative fees for the fiscal year.
- B. HAL must ensure that projected administrative fees and the Operating Reserve will cover all projected costs of efficient and effective program administration through remaining ACC terms.

15.02 PERMITTED USE FOR OTHER HOUSING PURPOSES

- A. Operating Reserve funds may be expended for other housing purposes consistent with state and local law, provided that the amounts used for other housing purposes are not required for projected administrative expenses through remaining ACC terms.
- B. HAL's Board of Commissioners must approve expenditures which may be made from the Operating Reserve in excess of \$10,000.

15.03 UNALLOWABLE COSTS

The Operating Reserve may not be used for the following unallowable costs:

- A. Chief elected official expenses.
- B. Contributions and donations unless in direct connection with provision of housing or housing-related services.
- C. Disallowed, ineligible or unsupported costs disallowed as a result of audits, unless spent for a legitimate housing purpose consistent with state and local law and approved by the Board as required in accordance with the Administrative Plan, or unless incurred as a result of specific written instructions from HUD.
- D. Fines and penalties resulting from violations of, or failure to comply with federal, state and local laws and regulations, except when incurred as a result of compliance with specific written instructions from HUD.
- E. Salaries and other expenses of the state legislature or similar local governmental bodies.
- F. Costs that are not for a housing purpose.

16.03 ESCROW ACCOUNT FOR FSS PARTICIPATING FAMILIES

An escrow account will be established pursuant to HUD regulations only for FSS participating families. The head of household or any member of the family will have no ownership interest in the account until completion of all the following requirements:

- A. completion of the Goal Plan;
- B. completion of the Contract of Participation; and
- C. fulfillment of all HUD requirements.

If the head of the participating family ceases to be a part of the assisted household, the remaining family members shall, after consultation with HAL, have the right to designate another family member to receive the funds when all HUD requirements are met.

The amounts in the Family Self-Sufficiency Escrow Account shall be subject to forfeiture pursuant to HUD requirements.

16.04 WAITING PERIOD

Any FSS participating head of household who has successfully completed the program and withdrawn funds from any FSS escrow account must wait at least one year from the last date of withdrawal before being eligible to be on the waiting list for or to participate in the FSS program, unless HAL is reimbursed for the funds withdrawn.

17.00 STAFFING

See Attachment III.

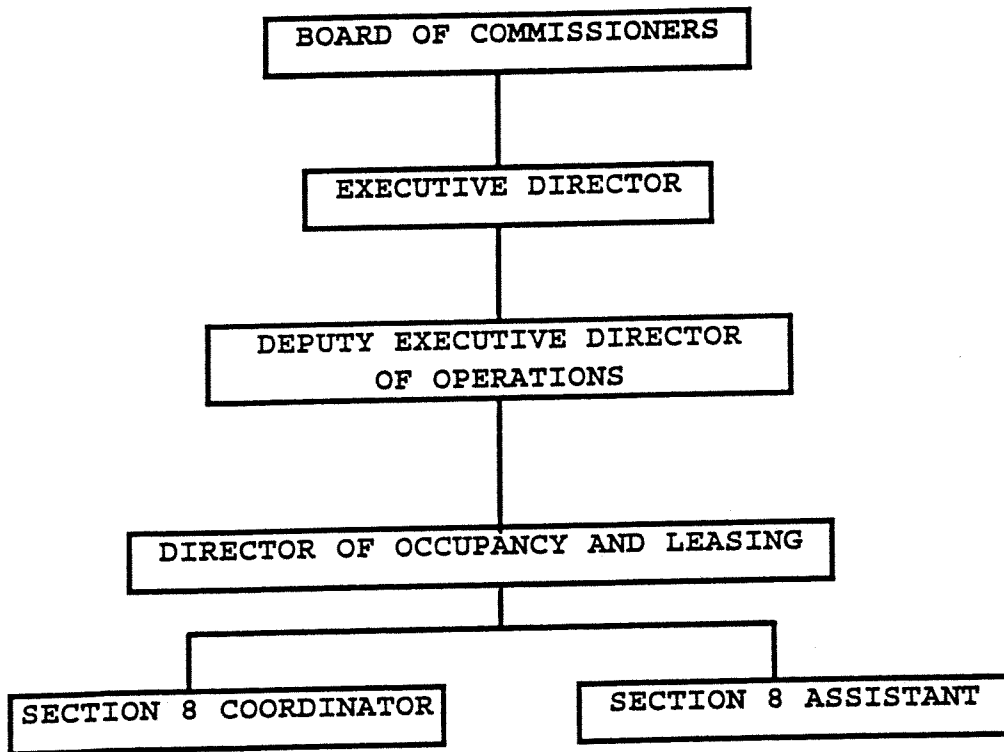
18.00 PROCEDURES

18.01 HAL'S RESPONSIBILITIES

- A. Publish and disseminate information about the availability and nature of housing assistance payments.
- B. Explain program to owners and families.
- C. Seek expanded opportunities to assist families to locate housing outside poverty or racially-concentrated areas.

ATTACHMENT I

HOUSING AUTHORITY OF LOUISVILLE
ORGANIZATIONAL CHART



ATTACHMENT II

HOUSING AUTHORITY OF LOUISVILLE GRIEVANCE PROCEDURE

I. PURPOSE AND APPLICABILITY

- A. Introduction. Housing Authority of Louisville (hereinafter referred to as the "Authority" or "HAL") deems it desirable to implement a procedure by which Tenants may obtain a fair and impartial resolution of disputes arising between tenants and the Authority. This Grievance Procedure seeks to assure just and unbiased treatment of all Tenants and to provide procedures which are not unduly time consuming or complicated.
- B. Purpose. Through the Grievance Procedure, the Authority seeks to assure a systematic approach to the resolution of disputes between residents and the Authority. Tenants may avail themselves of the Grievance Procedure if they make their complaint known to the Authority within a reasonable time of any Authority action or failure to act involving the Tenant's dwelling lease or Authority regulations which adversely affect the Tenants.
- C. Applicability of this Grievance Procedure. In accordance with the applicable Federal Regulations this Grievance Procedure shall be applicable to all individual disputes which a Tenant may have with respect to Authority action or failure to act in connection with the individual Tenant's dwelling lease, or with respect to Authority regulations which adversely affect the individual Tenant's rights, duties, welfare or status. The Grievance procedure shall not be applicable to disputes in either of two categories set forth as follows:
1. Because HUD has issued a due process determination that the laws of Louisville, Jefferson County, Kentucky require that Tenant be given the opportunity for a hearing in court which provide the basic elements of due process as defined in Section C of these procedures before eviction from the dwelling unit, the grievance procedure shall not be applicable at any termination of tenancy or eviction that involves:
 - a. Any criminal activity that threatens the health, safety, or right of peaceful enjoyment

3. Opportunity for the Tenant to refute the evidence presented by the Authority, including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the Tenant may have, and
 4. A decision on the merits.
- D. Hearing Officer -- A person selected in accordance with the provisions of these procedures to hear grievances and render a decision with respect thereto.
 - E. Hearing Panel -- A three-member panel selected in accordance with the provisions of this procedure to hear grievances and render a decision with respect thereto.
 - F. Tenant -- The adult person (or persons) (other than a live-in aide): 1) who resides in the unit and who executed the lease 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 the household of the Tenant Family residing in the dwelling unit.
 - G. Resident Organization -- An organization of residents, which also includes a resident management corporation.

III. INFORMAL SETTLEMENT OF GRIEVANCE

Any grievance shall be personally presented either orally or in writing to the Authority or to the Authority's Management Office of the Development in which the Complainant resides so that the grievance may be discussed informally and settled without a hearing. This shall be done by the Tenant within ten (10) calendar days of notice of termination from the Authority to the Complainant if so applicable or within 10 calendar days of the grievable event.

As soon as the grievance is received it shall be reviewed to determine if the grievance is excluded under any of the above provisions. In the event the grievance presents a matter which is excluded from the provisions as set forth in these procedures the complainant shall be notified in writing that the matter raised is not subject to the Authority's grievance procedure, and the reason the grievance is excluded.

If the grievance is not excluded by these procedures the complainant will be contacted to schedule a mutually convenient time within ten (10) calendar days to meet so the grievance may be discussed informally and settled without a formal hearing. At the informal hearing the complainant will

V. SELECTION OF HEARING OFFICER OR HEARING PANEL

A grievance hearing shall be conducted by an impartial person or persons other than the person who made or approved the Authority's action under review or a subordinate of such person. Such person or persons are to be appointed by the Authority to a panel of permanent Hearing Officers after consultation with resident organizations, as described below:

- A. The Authority shall nominate a slate of impartial persons to sit as hearing officers or hearing panel members. Such persons may include Authority Board members, residents, professional arbitrators or others. The initial slate of nominees should be at least nine persons.

The Authority will check with each nominee to determine whether there is an interest in serving as a potential hearing officer or panel member, whether the nominee feels fully capable or impartiality, whether the nominee can serve without compensation, and what limitations on the nominee's time would affect such service.

Nominees will be informed that they will be expected to disqualify themselves from hearing a particular grievance that involves personal friends, other residents of the development in which they work or reside, or grievances in which they have some personal interest or in which they are unable to hear a grievance in an impartial manner.

- B. A slate of potential hearing officers or hearing panel members nominated by the Authority shall be submitted to the Authority's resident organization. Written comments from the organizations shall be considered by the Authority before the nominees are appointed as hearing officers or panel members.
- C. When the comments from resident organizations have been received and considered, the nominees will be informed that they are the Authority's official grievance hearing committee. Committee members will then be selected by the Authority on a random basis to serve as members of a hearing panel of not more than and not less than 3 committee members or to serve as a hearing officer in all formal grievance hearings conducted in accordance with the procedures set forth in these rules.
- D. If it is determined by the Authority that an individual committee member is unable to serve as a member of the grievance hearing committee s/he will be replaced by

VIII. PROCEDURES GOVERNING THE HEARING

The hearing shall be held before a Hearing Officer or Hearing Panel as appropriate.

The Complainant shall be afforded a fair hearing providing the basic safeguards of due process which shall include:

- A. The opportunity to examine before the hearing all documents, records and regulations of the Authority that are directly relevant to the hearing.

The resident shall be allowed to copy any such documents at the tenant's expense. The expense of copying documents shall be paid by the resident before the time of the formal hearing.

Any documents the Authority fails to make available upon request of the resident or resident's representative may not be relied on by the Authority at the formal hearing.

- B. The right to be represented by a lawyer or other person chosen as his/her 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. The right to present evidence and arguments in support of the Tenant's complaint to controvert evidence relied on by the Authority, and to confront and cross examine all witnesses upon whose testimony or information the Authority relies.
- D. A decision based solely and exclusively upon the facts presented at the hearing.

The Hearing Officer or Hearing Panel may render a decision without proceeding with the hearing if the Hearing Officer or Hearing Panel determines that the issue has been previously decided in another proceeding.

At the hearing, the Complainant must first make a showing of an entitlement to the relief sought, and thereafter the Authority must sustain the burden of justifying the Authority's action or failure to act against which the Complaint is directed.

The hearing shall be conducted informally by the Hearing Officer or Hearing Panel, and oral or documented evidence pertinent to the facts and issues raised by the Complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings. The Hearing

Complainant, his/her representative or the Hearing Panel or Hearing Officer.

The decision of the Hearing Officer or Hearing Panel shall be binding on the Authority which shall take all actions, or refrain from any actions, necessary to carry out the decision unless the Board of Commissioners of the Authority determines within ten (10) calendar days of the formal hearing decision and promptly notifies the Complainant of its determination that:

- A. the grievance does not concern Authority action or failure to act in accordance with or involving the Complainant's lease or Authority regulations, which adversely affects the Complainant's rights, duties, welfare or status;
- B. the decision of the Hearing Officer or Hearing panel is contrary to Federal, State or local law, HUD Regulations or requirements of the Annual Contributions Contract between HUD and the Authority.
- C. a decision by the Hearing Officer, Hearing Panel, or Board or Commissioners in favor of the Authority or which denies relief requested by the Complainant in whole or in part shall not constitute a waiver of, nor affect in any manner whatever, any rights the Complainant may have to a trial *de novo* or judicial review in any judicial proceedings, which may thereafter be brought in this matter.

SITE-BASED WAITING LIST

Since the prevailing goal of the Park DuValle Neighborhood Revitalization Project is to create a mixed income vibrant community which can serve as a national model, it is imperative that a Site-Based Waiting List is established. A site-based waiting list can assist in promoting a sense of community and neighborhood and is particularly essential in tying public housing and other subsidized housing to the market rate units and privately owned homes. The site-based list will be maintained and managed at a site rental office in conjunction with the overall application process for the neighborhood phases. Essentially, there would be no identifying factors or procedures which would distinguish subsidized housing applicants or residents from others participating in the process. The site-based list can help to strengthen ties to families, school, jobs, recreation, and other neighborhood amenities. These factors help to attract persons of broader income ranges to the community. This may result in providing more role models, employment information and improve the economic base which attracts business and service.

Eligibility

All families (lease holders) that were relocated from Cotter and Lang Homes as a result of the Park DuValle Neighborhood Revitalization Project will receive priority consideration to qualify for the public housing units which are built in Park DuValle. This preference will only be afforded to the head(s) of households which are identified by the HAL rental lease.

Eligibility consideration for relocated Cotter and Lang residents will be continuous with each development phase of public housing units in the Park DuValle Neighborhood Revitalization Project. However, following the initial eligibility certification process, if a resident applicant is determined to be ineligible or does not meet the selection criteria their selection preference will end. At that time, the application will be pooled with other applicants from the PHA and applicants from other subsidized housing that are on the waiting list.

Therefore, the order of selection for consideration shall be:

1. Relocated Cotter/Lang residents
2. Applicants that are residents of all other HAL developments.
3. Applicants that reside in other subsidized housing.
4. All others

Notification

All HAL lease holders that were relocated from the Cotter and Lang developments or awaiting relocation by the Housing Authority of Louisville will be notified of available (and future) units that are developed in each phase of the neighborhood revitalization effort. Notifications shall be mailed to the resident's address which is maintained at the Housing Authority. Notification letters will be mailed to all relocated residents on the same day in an effort to afford equal application opportunity. The places of application, office hours, and a phone number will be included in the notice for application. In addition, the selection criteria for housing consideration will be highlighted in the letter of notification.

Applications

All applications from relocated residents will be dated and time stamped to establish the order in which the applicant will appear on the site based wait list for placement considerations. Applications from all others will be processed in the same manner.

All applicants will be permitted to apply for Park DuValle/Chauncey (The Oaks) at all HAL site offices as well as at the DuValle Management Office(s). Additionally, there will be a procedure for cross listing of applications which are received from all HAL sites. The date and time of the applications will be certified in a chronological manner which will help assure an equal opportunity process. Applicants for housing in the DuValle project that are also applying for housing throughout HAL will maintain their original date and time of application. The cross listing procedure of receiving applications will allow the Louisville Housing Services, a non-profit affiliate of HAL, to receive a pool of apparently eligible applicants. Louisville Housing Services Management Staff will manage the site-based waiting list and will work with HAL Occupancy Staff to assure compliance with HAL's tenant screening and admissions policies. These policies will be operated in a non discriminatory manner according to law and HUD regulations.

An informational brochure will be mailed to all current and future applicants detailing the following:

- Locations
- Total number of units available
- Total number of units according to bedroom size
- Total number of assessable units
- Total number of accessible units by bedroom size
- Security

- Transportation
- Day-Care
- Training Programs
- Amenities
- Other Information that will be of interest to potential public housing applicants

Selection Criteria

Applicants must meet the following criteria to be deemed eligible for placement consideration in the public housing units located at Park DuValle:

- Must have a rental history with no lease violations within the last 3 years
- No late payments in the last recordable 12 months rental history
- Must have met all housekeeping inspection standards within the last 3 years.
- Head of household must meet one or more of the following criteria:
 - Must be employed
 - A full time student of an accredited institution or currently enrolled in a bonifed job training or vocational program which will enhance employment opportunity
- All members of the household 18 years of age and older must pass a criminal records check
- Assisted income allowance